

SB257_L.001

SENATE COMMITTEE OF REFERENCE REPORT

 Chairman of Committee

 Date
Committee on Education.

After consideration on the merits, the Committee recommends the following:

SB09-257 be amended as follows:

1 Amend printed bill, page 2, line 2, strike "22-43.7-104 (2) (b) (II)," and
 2 substitute "22-43.7-104 (2) (b) (I) and (2) (b) (II),";

3 line 3, strike the first "is" and substitute "are";

4 after line 9, insert the following:

5 "(I) (A) IF THE STATE TREASURER DETERMINES THAT THE INTEREST
 6 COMPONENT OF LEASE PAYMENTS UNDER A LEASE-PURCHASE AGREEMENT
 7 WILL QUALIFY FOR EXEMPTION FROM FEDERAL INCOME TAXATION OR THAT
 8 THE INTEREST COMPONENT OF LEASE PAYMENTS UNDER A
 9 LEASE-PURCHASE AGREEMENT IS INTENDED TO BE SUBJECT TO FEDERAL
 10 INCOME TAXATION, the greater of thirty-five percent of the gross amount
 11 of public school lands income received during the fiscal year or an
 12 amount of such income equal to the difference between the total amount
 13 of lease payments to be made by the state under the terms of
 14 lease-purchase agreements entered into pursuant to section 22-43.7-110
 15 (2) and the total amount of matching moneys to be paid to the state as
 16 lease payments under the terms of sublease-purchase agreements entered
 17 into pursuant to section 22-43.7-110 (2). The moneys required to be
 18 credited to the assistance fund pursuant to this subparagraph ~~(I)~~
 19 SUB-SUBPARAGRAPH (A) may be taken from any single source or
 20 combination of sources of public school lands income.

21 (B) IF THE STATE TREASURER DETERMINES THAT THE USE OF
 22 INTEREST OR INCOME EARNED ON THE DEPOSIT AND INVESTMENT OF



1 MONEYS IN THE PUBLIC SCHOOL FUND TO MAKE LEASE PAYMENTS UNDER
2 A LEASE-PURCHASE AGREEMENT WILL PREVENT THE INTEREST COMPONENT
3 OF THE LEASE PAYMENTS FROM QUALIFYING FOR EXEMPTION FROM
4 FEDERAL INCOME TAXATION AS INTENDED BY THE STATE TREASURER, THE
5 GREATER OF FIFTY PERCENT OF THE GROSS AMOUNT OF PUBLIC SCHOOL
6 LANDS INCOME OTHER THAN INTEREST OR INCOME EARNED ON THE
7 DEPOSIT AND INVESTMENT OF MONEYS IN THE PUBLIC SCHOOL FUND
8 RECEIVED DURING THE FISCAL YEAR OR AN AMOUNT OF SUCH PUBLIC
9 SCHOOL LANDS INCOME EQUAL TO THE DIFFERENCE BETWEEN THE TOTAL
10 AMOUNT OF LEASE PAYMENTS TO BE MADE BY THE STATE UNDER THE
11 TERMS OF LEASE-PURCHASE AGREEMENTS ENTERED INTO PURSUANT TO
12 SECTION 22-43.7-110 (2) AND THE TOTAL AMOUNT OF MATCHING MONEYS
13 TO BE PAID TO THE STATE AS LEASE PAYMENTS UNDER THE TERMS OF
14 SUBLEASE-PURCHASE AGREEMENTS ENTERED INTO PURSUANT TO SECTION
15 22-43.7-110 (2). THE MONEYS REQUIRED TO BE CREDITED TO THE
16 ASSISTANCE FUND PURSUANT TO THIS SUB-SUBPARAGRAPH (B) MAY BE
17 TAKEN FROM ANY SINGLE SOURCE OR COMBINATION OF SOURCES OF
18 PUBLIC SCHOOL LANDS INCOME OTHER THAN INTEREST OR INCOME EARNED
19 ON THE DEPOSIT AND INVESTMENT OF MONEYS IN THE PUBLIC SCHOOL
20 FUND.";

21 line 12, strike "RENTALS AND OTHER" and substitute "LEASE".

22 Page 5, line 14, after "PAYMENTS", insert "OF PRINCIPAL AND INTEREST".

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