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AN ACT

RELATING TO THE FINANCING OF STATE FACILITIES; PROVIDING
ADDITIONAL DUTIES FOR THE CAPITOL BUILDINGS PLANNING
COMMISSION RELATING TO PLANNING FOR STATE FACILITIES AND THE
APPROVAL OF LEASE-PURCHASE AGREEMENTS ENTERED INTO BY THE
STATE OR ITS AGENCIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 15-10-1 NMSA 1978 (being Laws 1997,
Chapter 178, Section 5, as amended) is amended to read:

"15-10-1. CAPITOL BUILDINGS PLANNING COMMISSION
CREATED.--

A. The "capitol buildings planning commission" is
created. The commission shall be composed of four members of
the legislature, two from each house, appointed by the New
Mexico legislative council, the secretary of general
services, the state treasurer, the secretary of
transportation or the secretary's designee, the secretary of
cultural affairs or the secretary's designee, the secretary
of finance and administration or the secretary's designee,
the commissioner of public lands or the commissioner's
designee and the chair of the supreme court building
commission or the chair's designee.

B. The commission shall:

- (1) study and plan for the long-range

1 facilities needs of state government in the greater
2 metropolitan areas of Las Cruces, Santa Fe and Albuquerque
3 and, after developing an initial master plan for the state
4 facilities in those areas, the commission shall conduct a
5 review of state properties throughout the state for the
6 development of an overall master plan;

7 (2) review proposed lease-purchase
8 agreements pursuant to Section 15-10-2 NMSA 1978;

9 (3) after considering agency mission
10 requirements; the costs of ownership and operation; any
11 evaluations of the adequacy and condition of current state
12 facilities; and other factors, develop a long-term statewide
13 strategic facility management plan. The commission may adopt
14 guiding principles and coordinate with the general services
15 department, the New Mexico finance authority and other
16 agencies in obtaining data or analyses to support development
17 of the management plan;

18 (4) determine the amount of deferred
19 maintenance required on existing facilities to maintain their
20 usefulness;

21 (5) after utilizing life cycle costing,
22 recommend whether the state should lease, lease-purchase or
23 purchase needed additional facilities; and

24 (6) formulate disposal strategies for aging
25 facilities no longer able to serve their mission.

1 C. The legislative council service shall provide
2 staff for the commission in coordination with the staff
3 architect and other staff of the property control division of
4 the general services department.

5 D. The commission shall meet regularly and shall
6 report annually to the legislature on an annual update of:

7 (1) the master plan for the long-range
8 facilities needs of state government in the greater
9 metropolitan areas of Las Cruces, Santa Fe and Albuquerque and
10 throughout the state; and

11 (2) the long-term statewide strategic
12 facility management plan."

13 Section 2. A new Section 15-10-2 NMSA 1978 is enacted
14 to read:

15 "15-10-2. CAPITOL BUILDINGS PLANNING COMMISSION--
16 APPROVAL OF LEASE-PURCHASE AGREEMENTS.--

17 A. Before entering into a lease-purchase agreement
18 in which the state or a state agency is the lessee, the
19 proposed lessee shall notify the commission. The commission
20 shall review a proposed lease-purchase agreement if:

21 (1) the total lease revenues to be generated
22 during the term of the lease-purchase agreement, including any
23 possible extensions or renewals, exceed five million dollars
24 (\$5,000,000); or

25 (2) pursuant to criteria adopted by the

1 commission, the commission selects the lease-purchase
2 agreement for review.

3 B. No lease-purchase agreement reviewed pursuant
4 to Subsection A of this section shall be submitted to the
5 legislature for ratification and approval pursuant to Section
6 15-3-35 NMSA 1978 unless the commission determines that:

7 (1) the leasehold property and the term of
8 the lease-purchase agreement are sufficient to meet the
9 identified needs of the state agency that will occupy the
10 leasehold property;

11 (2) the payment of all lease revenues due
12 pursuant to a lease-purchase agreement will be sufficient, at
13 the end of the term of the lease-purchase agreement, to
14 acquire ownership of the leasehold property;

15 (3) the lease-purchase agreement provides
16 that there is no legal obligation for the state or state
17 agency to continue the lease-purchase agreement from year to
18 year or to purchase the leasehold property, and that the
19 lease-purchase agreement shall be terminated if sufficient
20 appropriations are not available to meet the current lease
21 payments; and

22 (4) the lease-purchase agreement is the most
23 cost-effective alternative for acquiring the leasehold
24 property, taking into account currently available alternative
25 lease arrangements, lease-purchase agreements or other

1 financing arrangements permitted by law.

2 C. As used in this section:

3 (1) "commission" means the capitol buildings
4 planning commission;

5 (2) "facilities" means buildings and the
6 appurtenances and improvements associated therewith, including
7 the real estate upon which a building is constructed; suitable
8 parking for use of the building; utilities, access roads and
9 other infrastructure; and related real estate. "Facilities"
10 can also mean undeveloped or developed real estate that is
11 transferred or leased with the intent that a new building or
12 improvement be constructed thereon;

13 (3) "lease-purchase agreement" means a
14 financing agreement for the leasing of facilities by the state
15 or a state agency from a public or private entity with an
16 option to purchase the leasehold property for a price that is
17 reduced according to the payments made pursuant to the
18 financing agreement;

19 (4) "leasehold property" means facilities
20 that are subject to a lease-purchase agreement;

21 (5) "lease revenues" means the amounts
22 payable pursuant to a lease-purchase agreement; and

23 (6) "state agency" means any department,
24 branch, institution, board, officer, bureau, instrumentality,
25 commission, district or committee of government of the state

1 of New Mexico except:

- 2 (a) the state armory board;
- 3 (b) the commissioner of public lands;
- 4 (c) state institutions under the
- 5 jurisdiction of the higher education department;
- 6 (d) the economic development department
- 7 when the department is acquiring property pursuant to the
- 8 Statewide Economic Development Finance Act;
- 9 (e) the public school facilities
- 10 authority when the authority is acquiring property pursuant to
- 11 the Public School Capital Outlay Act; and
- 12 (f) a state-chartered charter school."

13 Section 3. EFFECTIVE DATE.--The effective date of the
14 provisions of this act is July 1, 2008. _____

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