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HOUSE BILL 580

**51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013**

INTRODUCED BY

Rodolpho "Rudy" S. Martinez

AN ACT

RELATING TO PUBLIC FINANCE; AUTHORIZING THE NEW MEXICO  
FINANCE AUTHORITY TO ISSUE ADDITIONAL REVENUE BONDS FOR THE  
REGIONAL CANCER TREATMENT CENTER AT THE GILA REGIONAL MEDICAL  
CENTER IN GRANT COUNTY AND THE NOR-LEA GENERAL HOSPITAL IN LEA  
COUNTY; MAKING AN APPROPRIATION.

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

SECTION 1. Laws 2006, Chapter 89, Section 1, as amended  
by Laws 2007, Chapter 215, Section 1, is amended to read:

"Section 1. TEMPORARY PROVISION--NEW MEXICO FINANCE  
AUTHORITY REVENUE BONDS--PURPOSE--APPROPRIATION.--

A. The New Mexico finance authority may issue and  
sell revenue bonds in compliance with the New Mexico Finance  
Authority Act for a term not exceeding twenty years in an  
amount not exceeding three million dollars (\$3,000,000) for

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1 the purpose of designing, constructing, equipping and  
2 furnishing additions and improvements to a regional cancer  
3 treatment center at the Gila regional medical center in Grant  
4 county. The authority may issue and sell revenue bonds  
5 authorized by this subsection when the chair of the board of  
6 county commissioners of Grant county certifies the need for  
7 issuance of the bonds. The net proceeds from the sale of the  
8 bonds are appropriated to the local government division of  
9 the department of finance and administration for the purposes  
10 described in this subsection.

11 B. After the bonds have been issued pursuant to  
12 Subsection A of this section, the New Mexico finance  
13 authority may issue and sell revenue bonds in compliance with  
14 the New Mexico Finance Authority Act for a term not exceeding  
15 twenty years in an amount not exceeding one million five  
16 hundred thousand dollars (\$1,500,000) for the purpose of  
17 designing, constructing, equipping and furnishing additions  
18 and improvements to a regional cancer treatment center at the  
19 Nor-Lea general hospital in Lea county. The authority may  
20 issue and sell revenue bonds authorized by this subsection  
21 when the chair of the board of trustees of the Nor-Lea  
22 special hospital district certifies the need for issuance of  
23 the bonds. Provided that, if the authority determines that  
24 excess balances exist in the rural county cancer treatment  
25 fund above the amount needed to service outstanding bonds,

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1 then, in lieu of issuing all or a portion of the bonds, the  
2 excess balances may be used for the cancer treatment center  
3 funded pursuant to this subsection, but the total of excess  
4 balances and bond proceeds shall not exceed one million five  
5 hundred thousand dollars (\$1,500,000). The net proceeds from  
6 the sale of the bonds and any excess balances are appropriated  
7 to the local government division of the department of finance  
8 and administration for the purposes described in this  
9 subsection.

10 C. After the bonds have been issued pursuant to  
11 Subsections A and B of this section, the New Mexico finance  
12 authority may issue and sell revenue bonds in compliance with  
13 the New Mexico Finance Authority Act for a term not exceeding  
14 twenty years in an amount not exceeding three million dollars  
15 (\$3,000,000) as follows:

16 (1) not to exceed two million two hundred  
17 fifty thousand dollars (\$2,250,000) to design, construct, equip  
18 and furnish additions and improvements to a regional cancer  
19 treatment center at the Gila regional medical center in Grant  
20 county; and

21 (2) not to exceed seven hundred fifty thousand  
22 dollars (\$750,000) to design, construct, equip and furnish  
23 additions and improvements to Nor-Lea general hospital in Lea  
24 county.

25 D. The authority may issue and sell revenue bonds

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1 authorized by Subsection C of this section when the boards of  
2 trustees of the Gila regional medical center and the Nor-Lea  
3 special hospital district certify the need for the issuance of  
4 the bonds. If the authority determines that there are balances  
5 in the rural county cancer treatment fund in excess of the  
6 amount needed to service outstanding bonds, the authority may  
7 use those balances in lieu of issuing all or a portion of the  
8 bonds authorized in Subsection C of this section, but the total  
9 of funding from bonds and balances shall not exceed three  
10 million dollars (\$3,000,000). The net proceeds from the sale  
11 of bonds and any excess balances are appropriated to the local  
12 government division of the department of finance and  
13 administration for the purposes described in Subsection B of  
14 this section.

15 ~~[G-]~~ E. The cigarette tax proceeds distributed to  
16 the authority pursuant to Subsection H of Section 7-1-6.11 NMSA  
17 1978 shall be pledged irrevocably for the payment of the  
18 principal, interest, premiums and related expenses on the bonds  
19 and for payment of the expenses incurred by the authority  
20 related to the issuance, sale and administration of the bonds.

21 ~~[D-]~~ F. The cigarette tax proceeds distributed to  
22 the authority pursuant to Subsection H of Section 7-1-6.11 NMSA  
23 1978 shall be deposited each month in a separate fund or  
24 account of the authority.

25 ~~[E-]~~ G. Upon payment of all principal, interest and

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1 other expenses or obligations related to the bonds, the  
2 authority shall certify to the secretary of taxation and  
3 revenue that all obligations for the bonds issued pursuant to  
4 this section have been fully discharged and shall direct the  
5 secretary of taxation and revenue to cease distributing  
6 cigarette tax proceeds to the authority pursuant to  
7 Subsection H of Section 7-1-6.11 NMSA 1978 and to distribute  
8 those cigarette tax proceeds to the general fund.

9 ~~[F-]~~ H. Any law authorizing the imposition,  
10 collection or distribution of the cigarette tax or that affects  
11 the cigarette tax shall not be amended, repealed or otherwise  
12 directly or indirectly modified so as to impair or reduce  
13 debt service coverage for any outstanding revenue bonds that  
14 may be secured by a pledge of those cigarette tax revenues,  
15 unless the revenue bonds have been discharged in full or  
16 provisions have been made for a full discharge.

17 ~~[G-]~~ I. The authority may additionally secure the  
18 revenue bonds issued pursuant to this section by a pledge of  
19 money in the public project revolving fund with a lien  
20 priority on the money in the public project revolving fund as  
21 determined by the authority.

22 ~~[H-]~~ J. The authority may purchase revenue bonds  
23 issued pursuant to this section with money in the public  
24 project revolving fund pursuant to the provisions of Section  
25 6-21-6 NMSA 1978."

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1 SECTION 2. Section 6-21-6.11 NMSA 1978 (being Laws 2006,  
2 Chapter 89, Section 4) is amended to read:

3 "6-21-6.11. RURAL COUNTY CANCER TREATMENT FUND CREATED--  
4 PURPOSE--APPROPRIATION.--The "rural county cancer treatment  
5 fund" is created in the New Mexico finance authority. The fund  
6 is [~~comprised~~] composed of appropriations, donations,  
7 distributions pursuant to Section 7-1-6.11 NMSA 1978 and money  
8 earned from investment of the fund and otherwise accruing to  
9 the fund. Money in the fund is appropriated to the New Mexico  
10 finance authority to provide a revenue stream to finance the  
11 design, construction [of], equipping and furnishing of  
12 additions and improvements to cancer treatment facilities in  
13 class B counties. Balances remaining in the fund at the end of  
14 a fiscal year shall not revert. The New Mexico finance  
15 authority shall administer the fund, and money from the fund  
16 may be drawn only on warrants signed by the executive director  
17 of the New Mexico finance authority pursuant to vouchers signed  
18 by the [~~executive director~~] chief financial officer or the  
19 officer's authorized representative."

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