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SENATE BILL 197

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

INTRODUCED BY

Pete Campos and Harlan Vincent

AN ACT

RELATING TO LOCAL GOVERNMENTS; ALLOWING MONEY IN THE EMERGENCY
MEDICAL SERVICES FUND TO BE REDIRECTED TO THE NEW MEXICO
FINANCE AUTHORITY TO MAKE LOANS TO PURCHASE EQUIPMENT FOR
EMERGENCY MEDICAL SERVICES SYSTEM IMPROVEMENT PROJECTS FOR
WHICH FUNDING HAS BEEN GRANTED PURSUANT TO THE EMERGENCY
MEDICAL SERVICES FUND ACT; REPEALING LAWS 2019, CHAPTER 210,
SECTION 1 TO RECONCILE MULTIPLE AMENDMENTS TO A SECTION OF LAW;
MAKING AN APPROPRIATION.

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

SECTION 1. Section 3-31-1 NMSA 1978 (being Laws 1973,
Chapter 395, Section 3, as amended) is amended to read:

"3-31-1. REVENUE BONDS--AUTHORITY TO ISSUE--PLEDGE OF
REVENUES--LIMITATION ON TIME OF ISSUANCE.--

A. In addition to any other law and constitutional

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1 home rule powers authorizing a municipality to issue revenue
2 bonds, a municipality may issue revenue bonds pursuant to
3 Chapter 3, Article 31 NMSA 1978 for the purposes specified in
4 this section.

5 B. Utility revenue bonds may be issued for
6 acquiring, extending, enlarging, bettering, repairing or
7 otherwise improving a municipal utility or for any combination
8 of the foregoing purposes. The municipality may pledge
9 irrevocably any or all of the net revenues from the operation
10 of the municipal utility or of any one or more of other such
11 municipal utilities for payment of the interest on and
12 principal of the revenue bonds.

13 C. Joint utility revenue bonds may be issued for
14 acquiring, extending, enlarging, bettering, repairing or
15 otherwise improving joint water facilities, sewer facilities,
16 gas facilities or electric facilities or for any combination of
17 the foregoing purposes. The municipality may pledge
18 irrevocably any or all of the net revenues from the operation
19 of these municipal utilities for the payment of the interest on
20 and principal of the bonds.

21 D. Gross receipts tax revenue bonds may be issued
22 for any municipal purpose. A municipality may pledge
23 irrevocably any or all of the gross receipts tax revenue
24 received by the municipality pursuant to Section 7-1-6.4 or
25 7-1-6.12 NMSA 1978 to the payment of the interest on and

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1 principal of the gross receipts tax revenue bonds or for any
2 area of municipal government services. A law that imposes or
3 authorizes the imposition of a tax authorized by the Municipal
4 Local Option Gross Receipts and Compensating Taxes Act or that
5 affects the tax, or a law supplemental thereto or otherwise
6 appertaining thereto, shall not be repealed or amended or
7 otherwise directly or indirectly modified in such a manner as
8 to impair adversely any outstanding revenue bonds that may be
9 secured by a pledge of such tax unless the outstanding revenue
10 bonds have been discharged in full or provision has been fully
11 made therefor. Revenues in excess of the annual principal and
12 interest due on gross receipts tax revenue bonds secured by a
13 pledge of gross receipts tax revenue may be accumulated in a
14 debt service reserve account. The governing body of the
15 municipality may appoint a commercial bank trust department to
16 act as trustee of the gross receipts tax revenue and to
17 administer the payment of principal of and interest on the
18 bonds.

19 E. Gasoline tax revenue bonds may be issued for
20 laying off, opening, constructing, reconstructing, resurfacing,
21 maintaining, acquiring rights of way, repairing and otherwise
22 improving municipal buildings, alleys, streets, public roads
23 and bridges or any combination of the foregoing purposes. The
24 municipality may pledge irrevocably any or all of the gasoline
25 tax revenue received by the municipality to the payment of the

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1 interest on and principal of the gasoline tax revenue bonds.

2 F. Project revenue bonds may be issued for
3 acquiring, extending, enlarging, bettering, repairing,
4 improving, constructing, purchasing, furnishing, equipping and
5 rehabilitating any revenue-producing project, including, where
6 applicable, purchasing, otherwise acquiring or improving the
7 ground therefor, including acquiring and improving parking
8 lots, or for any combination of the foregoing purposes. The
9 municipality may pledge irrevocably any or all of the net
10 revenues from the operation of the revenue-producing project
11 for which the particular project revenue bonds are issued to
12 the payment of the interest on and principal of the project
13 revenue bonds. The net revenues of any revenue-producing
14 project may not be pledged to the project revenue bonds issued
15 for a revenue-producing project that clearly is unrelated in
16 nature; but nothing in this subsection shall prevent the pledge
17 to such project revenue bonds of any revenues received from
18 existing, future or disconnected facilities and equipment that
19 are related to and that may constitute a part of the particular
20 revenue-producing project. A general determination by the
21 governing body that any facilities or equipment is reasonably
22 related to and constitutes a part of a specified revenue-
23 producing project shall be conclusive if set forth in the
24 proceedings authorizing the project revenue bonds.

25 G. Fire district revenue bonds may be issued for

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1 acquiring, extending, enlarging, bettering, repairing,
2 improving, constructing, purchasing, furnishing, equipping and
3 rehabilitating any fire district project, including, where
4 applicable, purchasing, otherwise acquiring or improving the
5 ground therefor, or for any combination of the foregoing
6 purposes. The municipality may pledge irrevocably any or all
7 of the revenues received by the fire district from the fire
8 protection fund as provided in the Fire Protection Fund Law and
9 any or all of the revenues provided for the operation of the
10 fire district project for which the particular bonds are issued
11 to the payment of the interest on and principal of the bonds.
12 The revenues of any fire district project shall not be pledged
13 to the bonds issued for a fire district project that clearly is
14 unrelated in its purpose; but nothing in this section prevents
15 the pledge to such bonds of any revenues received from
16 existing, future or disconnected facilities and equipment that
17 are related to and that may constitute a part of the particular
18 fire district project. A general determination by the
19 governing body of the municipality that any facilities or
20 equipment is reasonably related to and constitutes a part of a
21 specified fire district project shall be conclusive if set
22 forth in the proceedings authorizing the fire district bonds.

23 H. Law enforcement protection revenue bonds may be
24 issued for the repair and purchase of law enforcement apparatus
25 and equipment that meet nationally recognized standards. The

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1 municipality may pledge irrevocably any or all of the revenues
2 received by the municipality from the law enforcement
3 protection fund distributions pursuant to the Law Enforcement
4 Protection Fund Act to the payment of the interest on and
5 principal of the law enforcement protection revenue bonds.

6 I. Except for the purpose of refunding previous
7 revenue bond issues, no municipality may sell revenue bonds
8 payable from pledged revenues after the expiration of two years
9 from the date of the ordinance authorizing the issuance of the
10 bonds or, for bonds to be issued and sold to the New Mexico
11 finance authority as authorized in Subsection C of Section
12 3-31-4 NMSA 1978, after the expiration of two years from the
13 date of the resolution authorizing the issuance of the bonds.
14 However, any period of time during which a particular revenue
15 bond issue is in litigation shall not be counted in determining
16 the expiration date of that issue.

17 J. Emergency medical services bonds may be issued
18 for the purchase of equipment for emergency medical system
19 improvement projects or emergency medical services vehicles for
20 which funding has been granted pursuant to the Emergency
21 Medical Services Fund Act. The municipality may pledge
22 irrevocably any or all of the revenues received by the
23 municipality from the emergency medical services fund
24 distributions pursuant to the Emergency Medical Services Fund
25 Act to the payment of the interest on and principal of the

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1 emergency medical services bonds."

2 SECTION 2. Section 3-31-1.1 NMSA 1978 (being Laws 2019,
3 Chapter 274, Section 2) is amended to read:

4 "3-31-1.1. DEFINITIONS.--As used in Chapter 3, Article 31
5 NMSA 1978:

6 A. "bond" means any obligation of a municipality
7 issued under Chapter 3, Article 31 NMSA 1978, whether
8 designated as a bond, note, loan, warrant, debenture, lease-
9 purchase agreement or other instrument evidencing an obligation
10 of a municipality to make payments;

11 B. "emergency medical services bonds" means the
12 bonds authorized by Subsection J of Section 3-31-1 NMSA 1978;

13 [~~B.~~] C. "gasoline tax revenue" means all or
14 portions of the amounts of tax revenues distributed to
15 municipalities pursuant to Sections 7-1-6.9 and 7-1-6.27 NMSA
16 1978;

17 [~~C.~~] D. "gasoline tax revenue bonds" means the
18 bonds authorized by Subsection E of Section 3-31-1 NMSA 1978;

19 [~~D.~~] E. "gross receipts tax revenue" means the
20 amount of money distributed to a municipality pursuant to
21 Section 7-1-6.4 NMSA 1978 and transferred to a municipality
22 pursuant to Section 7-1-6.12 NMSA 1978 for any municipal gross
23 receipts tax imposed pursuant to the Municipal Local Option
24 Gross Receipts and Compensating Taxes Act;

25 [~~E.~~] F. "gross receipts tax revenue bonds" means
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1 the bonds authorized by Subsection D of Section 3-31-1 NMSA
2 1978;

3 ~~[F.]~~ G. "joint utility revenue bonds" or "joint
4 utility bonds" means the bonds authorized by Subsection C of
5 Section 3-31-1 NMSA 1978;

6 ~~[G.]~~ H. "pledged revenues" means the revenues, net
7 income or net revenues authorized to be pledged to the payment
8 of revenue bonds as specifically provided in Chapter 3, Article
9 31 NMSA 1978;

10 ~~[H.]~~ I. "project revenue bonds" means the bonds
11 authorized by Subsection F of Section 3-31-1 NMSA 1978; and

12 ~~[I.]~~ J. "utility revenue bonds" or "utility bonds"
13 means the bonds authorized by Subsection B of Section 3-31-1
14 NMSA 1978."

15 **SECTION 3.** Section 4-62-1 NMSA 1978 (being Laws 1992,
16 Chapter 95, Section 1, as amended by Laws 2019, Chapter 210,
17 Section 1 and by Laws 2019, Chapter 274, Section 4) is amended
18 to read:

19 "4-62-1. REVENUE BONDS--AUTHORITY TO ISSUE--PLEDGE OF
20 REVENUES--LIMITATION ON TIME OF ISSUANCE.--

21 A. In addition to any other law authorizing a
22 county to issue revenue bonds, a county may issue revenue bonds
23 pursuant to Chapter 4, Article 62 NMSA 1978 for the purposes
24 specified in this section.

25 B. Gross receipts tax revenue bonds may be issued

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1 for any county purpose. A county may pledge irrevocably any or
2 all of the revenue received by the county pursuant to Section
3 7-1-6.13 NMSA 1978 for payment of principal and interest due in
4 connection with, and other expenses related to, gross receipts
5 tax revenue bonds or for any area of county government
6 services. If the revenue is pledged for payment of principal
7 and interest as authorized by this subsection, the pledge shall
8 require the revenues received to be deposited into a special
9 bond fund for payment of the principal, interest and expenses.
10 At the end of each fiscal year, money remaining in the special
11 bond fund after the annual obligations for the bonds are fully
12 met may be transferred to any other fund of the county.
13 Revenues in excess of the annual principal and interest due on
14 gross receipts tax revenue bonds secured by a pledge of gross
15 receipts tax revenue may be accumulated in a debt service
16 reserve account. The governing body of the county may appoint
17 a commercial bank trust department to act as trustee of the
18 proceeds of the tax and to administer the payment of principal
19 of and interest on the bonds.

20 C. Gasoline tax revenue bonds may be issued for the
21 acquisition of rights of way for and the construction,
22 reconstruction, resurfacing, maintenance, repair or other
23 improvement of county roads and bridges. A county may pledge
24 irrevocably any or all of the county gasoline tax revenue for
25 payment of principal and interest due in connection with, and

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1 other expenses related to, county gasoline tax revenue bonds.

2 D. Utility revenue bonds or joint utility revenue
3 bonds may be issued for acquiring, extending, enlarging,
4 bettering, repairing or otherwise improving water facilities,
5 sewer facilities, gas facilities or electric facilities. A
6 county may pledge irrevocably any or all of the net revenues
7 from the operation of the utility or joint utility for which
8 the particular utility or joint utility bonds are issued to the
9 payment of principal and interest due in connection with, and
10 other expenses related to, utility or joint utility revenue
11 bonds.

12 E. Project revenue bonds may be issued for
13 acquiring, extending, enlarging, bettering, repairing,
14 improving, constructing, purchasing, furnishing, equipping or
15 rehabilitating any revenue-producing project, including, as
16 applicable, purchasing, otherwise acquiring or improving the
17 ground for the project and acquiring and improving parking
18 lots. The county may pledge irrevocably any or all of the net
19 revenues from the operation of the revenue-producing project
20 for which the particular project revenue bonds are issued to
21 the payment of the interest on and principal of the project
22 revenue bonds. The net revenues of any revenue-producing
23 project shall not be pledged to the project revenue bonds
24 issued for any other revenue-producing project that is clearly
25 unrelated in nature; but nothing in this subsection prevents

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1 the pledge to any of the project revenue bonds of the revenues
2 received from existing, future or disconnected facilities and
3 equipment that are related to and that may constitute a part of
4 the particular revenue-producing project. A general
5 determination by the governing body that facilities or
6 equipment is reasonably related to and constitutes a part of a
7 specified revenue-producing project shall be conclusive if set
8 forth in the proceedings authorizing the project revenue bonds.

9 F. Fire district revenue bonds may be issued for
10 acquiring, extending, enlarging, bettering, repairing,
11 improving, constructing, purchasing, furnishing, equipping and
12 rehabilitating a fire district project, including, as
13 applicable, purchasing, otherwise acquiring or improving the
14 ground for the project. The county may pledge irrevocably any
15 or all of the revenues received by the fire district from the
16 fire protection fund as provided in the Fire Protection Fund
17 Law and any or all of the revenues provided for the operation
18 of the fire district project for which the particular bonds are
19 issued to the payment of the interest on and principal of the
20 bonds. The revenues of a fire district project shall not be
21 pledged to the bonds issued for a fire district project that
22 clearly is unrelated in its purpose; but nothing in this
23 section prevents the pledge to such bonds of revenues received
24 from existing, future or disconnected facilities and equipment
25 that are related to and that may constitute a part of the

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1 particular fire district project. A general determination by
2 the governing body of the county that facilities or equipment
3 is reasonably related to and constitutes a part of a specified
4 fire district project shall be conclusive if set forth in the
5 proceedings authorizing the fire district revenue bonds.

6 G. Law enforcement protection revenue bonds may be
7 issued for the repair and purchase of law enforcement apparatus
8 and equipment that meet nationally recognized standards. The
9 county may pledge irrevocably any or all of the revenues
10 received by the county from the law enforcement protection fund
11 distributions pursuant to the Law Enforcement Protection Fund
12 Act to the payment of the interest on and principal of the law
13 enforcement protection revenue bonds.

14 H. PILT revenue bonds may be issued by a county to
15 repay all or part of the principal and interest of an
16 outstanding loan owed by the county to the New Mexico finance
17 authority. A county may pledge irrevocably all or part of PILT
18 revenue to the payment of principal of and interest on new
19 loans or preexisting loans provided by the New Mexico finance
20 authority to finance a public project.

21 I. Emergency medical services bonds may be issued
22 for the purchase of equipment for emergency medical system
23 improvement projects or emergency medical services vehicles for
24 which funding has been granted pursuant to the Emergency
25 Medical Services Fund Act. The county may pledge irrevocably

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1 any or all of the revenues received by the county from the
2 emergency medical services fund distributions pursuant to the
3 Emergency Medical Services Fund Act to the payment of the
4 interest on and principal of the emergency medical services
5 bonds.

6 ~~[F.]~~ J. Except for the purpose of refunding
7 previous revenue bond issues, no county may sell revenue bonds
8 payable from pledged revenue after the expiration of two years
9 from the date of the ordinance authorizing the issuance of the
10 bonds or, for bonds to be issued and sold to the New Mexico
11 finance authority as authorized in Subsection C of Section
12 4-62-4 NMSA 1978, after the expiration of two years from the
13 date of the resolution authorizing the issuance of the bonds.
14 However, any period of time during which a particular revenue
15 bond issue is in litigation shall not be counted in determining
16 the expiration date of that issue.

17 ~~[J.]~~ K. No bonds may be issued by a county, other
18 than an H class county, a class B county as defined in Section
19 4-36-8 NMSA 1978 or a class A county as described in Section
20 4-36-10 NMSA 1978, to acquire, equip, extend, enlarge, better,
21 repair or construct a utility unless the utility is regulated
22 by the public regulation commission pursuant to the Public
23 Utility Act and the issuance of the bonds is approved by the
24 commission.

25 ~~[K.]~~ L. Any law that imposes or authorizes the

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1 imposition of a tax authorized by the County Local Option Gross
2 Receipts and Compensating Taxes Act or that affects that tax
3 shall not be repealed or amended in such a manner as to impair
4 outstanding revenue bonds that are issued pursuant to Chapter
5 4, Article 62 NMSA 1978 and that may be secured by a pledge of
6 the tax unless the outstanding revenue bonds have been
7 discharged in full or for which provision has been fully made."

8 SECTION 4. Section 4-62-1.1 NMSA 1978 (being Laws 2019,
9 Chapter 274, Section 5) is amended to read:

10 "4-62-1.1. DEFINITIONS.--As used in Chapter 4, Article 62
11 NMSA 1978:

12 A. "bond" means any obligation of a county issued
13 under Chapter 4, Article 62 NMSA 1978, whether designated as a
14 bond, note, loan, warrant, debenture, lease-purchase agreement
15 or other instrument evidencing an obligation of a county to
16 make payments;

17 B. "emergency medical services bonds" means the
18 bonds authorized by Subsection I of Section 4-62-1 NMSA 1978;

19 [~~B.~~] C. "gasoline tax revenue" means the revenue
20 from that portion of the gasoline tax distributed to the county
21 pursuant to Sections 7-1-6.9 and 7-1-6.26 NMSA 1978;

22 [~~C.~~] D. "gasoline tax revenue bonds" means the
23 bonds authorized by Subsection C of Section 4-62-1 NMSA 1978;

24 [~~D.~~] E. "gross receipts tax revenue" means the
25 revenue attributable to the county gross receipts tax

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1 transferred to the county pursuant to Section 7-1-6.13 NMSA
2 1978 and any distribution made pursuant to Section 7-1-6.16
3 NMSA 1978;

4 ~~[E.]~~ F. "gross receipts tax revenue bonds" means
5 the bonds authorized by Subsection B of Section 4-62-1 NMSA
6 1978;

7 ~~[F.]~~ G. "PILT revenue" means revenue received by a
8 county from the federal government as payments in lieu of
9 taxes;

10 ~~[G.]~~ H. "pledged revenue" means the revenue, net
11 income or net revenue authorized to be pledged to the payment
12 of particular revenue bonds as specifically provided in Section
13 4-62-1 NMSA 1978;

14 ~~[H.]~~ I. "project revenues" means the net revenues
15 of revenue-producing projects that may be pledged to project
16 revenue bonds pursuant to Subsection E of Section 4-62-1 NMSA
17 1978;

18 ~~[I.]~~ J. "public project" means "public project" as
19 defined in Subsection E of Section 6-21-3 NMSA 1978;

20 ~~[J.]~~ K. "utility" means a water, wastewater, sewer,
21 gas or electric utility or joint utility servicing the public;
22 and

23 ~~[K.]~~ L. "utility revenue bonds" or "joint utility
24 revenue bonds" means the bonds authorized by Subsection D of
25 Section 4-62-1 NMSA 1978."

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1 SECTION 5. Section 24-10A-3 NMSA 1978 (being Laws 1978,
2 Chapter 178, Section 3, as amended) is amended to read:

3 "24-10A-3. EMERGENCY MEDICAL SERVICES FUND CREATED--
4 FUNDING.--

5 A. The "emergency medical services fund" is created
6 in the state treasury. Money in the fund shall not revert at
7 the end of any fiscal year. Money appropriated to the fund or
8 accruing to it through distributions, gifts, grants, fees or
9 bequests shall be deposited in the fund. Interest earned on
10 investment of the fund shall be credited to the general fund.
11 Disbursements from the fund shall be made upon warrants drawn
12 by the secretary of finance and administration pursuant to
13 vouchers signed by the secretary or the secretary's authorized
14 representative.

15 B. The bureau shall administer the fund and provide
16 for the distribution of the fund pursuant to the Emergency
17 Medical Services Fund Act and rules adopted pursuant to the
18 provisions of that act.

19 C. In any fiscal year, no less than seventy-five
20 percent of the money in the fund shall be used for the local
21 emergency medical services funding program to support the cost
22 of supplies and equipment and operational costs other than
23 salaries and benefits for emergency medical services personnel.
24 This money shall be distributed to municipalities and counties
25 on behalf of eligible local recipients, using a formula

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1 established pursuant to rules adopted by the department. The
2 formula shall determine each municipality's and county's share
3 of the fund based on the relative geographic size and
4 population of each county. The formula shall also base the
5 distribution of money for each municipality and county on the
6 relative number of runs of each local recipient eligible to
7 participate in the distribution.

8 D. In any fiscal year, no more than:

9 (1) twenty-two percent of the fund may be used
10 for emergency medical services system improvement projects,
11 including the purchase of emergency medical services vehicles,
12 local and statewide emergency medical services system support
13 projects, the statewide trauma care system program and the
14 emergency medical dispatch agency support program; and

15 (2) three percent of the fund may be used by
16 the bureau for administrative costs, including monitoring and
17 providing technical assistance.

18 E. ~~[In any fiscal year, money in the fund that is~~
19 ~~not distributed pursuant to the provisions of Subsection D of~~
20 ~~this section may be distributed pursuant to the provisions of~~
21 ~~Subsection C of this section]~~ The state treasurer is authorized
22 to redirect a distribution to the New Mexico finance authority
23 to make loans for purchases authorized pursuant to the
24 Emergency Medical Services Fund Act and by ordinance or
25 resolution passed by the municipality or county and a written

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1 agreement of the municipality or county and the New Mexico
2 finance authority."

3 SECTION 6. REPEAL.--Laws 2019, Chapter 210, Section 1 is
4 repealed.

5 SECTION 7. EFFECTIVE DATE.--The effective date of the
6 provisions of this act is July 1, 2025.

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