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HOUSE BILL 626

42ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1996

INTRODUCED BY

VINCENT GALLEGOS

FOR THE NEW MEXICO FINANCE AUTHORITY OVERSIGHT COMMITTEE

AN ACT

RELATING TO PUBLIC FINANCE; AUTHORIZING THE NEW MEXICO FINANCE
AUTHORITY TO ISSUE BONDS; MAKING APPROPRIATIONS TO CERTAIN
FUNDS.

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

Section 1. Section 6-21-6.1 NMSA 1978 (being Laws 1994,
Chapter 145, Section 2, as amended) is amended to read:

"6-21-6.1. PUBLIC PROJECT REVOLVING FUND--APPROPRIATIONS
TO OTHER FUNDS.--

A. The authority and the department of environment
may enter into a joint powers agreement pursuant to the Joint
Powers Agreements Act for the purpose of describing and
allocating duties and responsibilities with respect to creation
of an integrated loan and grant program to be financed through
issuance of bonds payable from the public project revolving

Underscored material = new
[bracketed material] = delete

1 fund. ~~[and the use of proceeds of such bonds]~~ The bonds may be
2 issued in installments or at one time by the authority in
3 amounts authorized by law. The net proceeds may be used for
4 purposes of the Wastewater Facility Construction Loan Act, the
5 Rural Infrastructure Act or the Solid Waste Act. ~~[The authority~~
6 ~~is authorized to issue bonds for the following purposes:-~~

7 ~~(1) in an amount not to exceed two million~~
8 ~~dollars (\$2,000,000), the net proceeds of which are appropriated~~
9 ~~to the wastewater facility construction loan fund;~~

10 ~~(2) in an amount not to exceed two million~~
11 ~~dollars (\$2,000,000), the net proceeds of which are appropriated~~
12 ~~to the rural infrastructure revolving loan fund; and~~

13 ~~(3) in an amount not to exceed ten million~~
14 ~~dollars (\$10,000,000), the net proceeds of which are~~
15 ~~appropriated to the solid waste facility grant fund.]~~

16 B. Public projects funded pursuant to the Wastewater
17 Facility Construction Loan Act, the Rural Infrastructure Act or
18 the Solid Waste Act shall not require specific authorization by
19 law as required in Sections 6-21-6 and 6-21-8 NMSA 1978.

20 C. At the end of each fiscal year, after all debt
21 service charges, replenishment of reserves and administrative
22 costs on all outstanding bonds, notes or other obligations
23 payable from the public project revolving fund are satisfied, an
24 aggregate amount not to exceed thirty-five percent of the
25 governmental gross receipts tax proceeds distributed to the

Underscored material = new
[bracketed material] = delete

1 public project revolving fund in the preceding fiscal year less
2 all debt service charges and administrative costs of the
3 authority paid in the preceding fiscal year on bonds issued
4 pursuant to this section may be appropriated by the legislature
5 from the public project revolving fund to the following funds
6 for local infrastructure financing:

7 (1) the wastewater facility construction loan
8 fund for purposes of the Wastewater Facility Construction Loan
9 Act;

10 (2) the rural infrastructure revolving loan
11 fund for purposes of the Rural Infrastructure Act; or

12 (3) the solid waste facility grant fund for
13 purposes of the Solid Waste Act.

14 D. The authority and the department of environment
15 in coordination with the New Mexico finance authority oversight
16 committee may recommend annually to each regular session of the
17 legislature amounts to be appropriated to the funds listed in
18 Subsection C of this section for local infrastructure
19 financing. "

20 Section 2. AUTHORIZATION TO ISSUE BONDS--PUBLIC PROJECT
21 REVOLVING FUND--APPROPRIATIONS.--Pursuant to Section
22 6-21-6.1 NMSA 1978, the New Mexico finance authority is
23 authorized to issue bonds:

24 A. in an amount not to exceed two million dollars
25 (\$2,000,000), the net proceeds of which are appropriated to the

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wastewater facility construction loan fund;

B. in an amount not to exceed two million dollars (\$2,000,000), the net proceeds of which are appropriated to the rural infrastructure revolving loan fund; and

C. in an amount not to exceed seventeen million five hundred thousand dollars (\$17,500,000), the net proceeds of which are appropriated to the solid waste facility grant fund.

State of New Mexico House of Representatives

FORTY- SECOND LEGISLATURE

SECOND SESSION, 1996

February 7, 1996

Mr. Speaker:

Your TAXATION AND REVENUE COMMITTEE, to whom has
been referred

HOUSE BILL 626

has had it under consideration and reports same with
recommendation that it DO PASS, amended as follows:

1. On page 1, line 12, after the semicolon insert "ADDING
THE STATE TREASURER TO THE NEW MEXICO FINANCE AUTHORITY;".

2. On page 1, between lines 15 and 16, insert the following
new section:

"Section 1. Section 6-21-4 NMSA 1978 (being Laws 1992,
Chapter 61, Section 4) is amended to read:

"6-21-4. NEW MEXICO FINANCE AUTHORITY CREATED-- MEMBERSHIP--
QUALIFICATIONS-- QUORUM - MEETINGS-- COMPENSATION-- BOND. --

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SECOND SESSION, 1996

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A. There is created a public body politic and corporate constituting a governmental instrumentality to be known as the "New Mexico finance authority" for the performance of essential public functions.

B. The authority shall be composed of ~~[twelve]~~ thirteen members. The state investment officer, the state treasurer, the secretary of finance and administration, the secretary of economic development, the secretary of energy, minerals and natural resources, the secretary of environment, the executive director of the New Mexico municipal league and the executive director of the New Mexico association of counties or their designees shall be ex-officio members of the authority with voting privileges. The governor, with the advice and consent of the senate, shall appoint to the authority the chief financial officer of a state higher educational institution and four members who are residents of the state. The appointed members shall serve at the pleasure of the governor.

C. The appointed members of the authority shall be appointed to four-year terms. The initial members shall be appointed to staggered terms of four years or less, so that the term of at least one member expires on January 1 of each year. Vacancies shall be filled by appointment by the governor for the remainder of the unexpired term. Any member of the authority shall be eligible for reappointment.

D. Each appointed member before entering upon his duty

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SECOND SESSION, 1996

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2 shall take an oath of office to administer the duties of his
3 office faithfully and impartially. A record of the oath shall be
4 filed in the office of the secretary of state.

5 E. The governor shall designate an appointed member of
6 the authority to serve as chairman. The authority shall elect
7 annually one of its members to serve as vice chairman. The
8 authority shall appoint and prescribe the duties of such other
9 officers, who need not be members, as the authority deems
10 necessary or advisable, including an executive director and a
11 secretary, who may be the same person. The authority may delegate
12 to one or more of its members, officers, employees or agents such
13 powers and duties as it may deem proper and consistent with the
14 New Mexico Finance Authority Act.

15 F. The executive director of the authority shall
16 direct the affairs and business of the authority, subject to the
17 policies, control and direction of the authority. The secretary
18 of the authority shall keep a record of the proceedings of the
19 authority and shall be custodian of all books, documents and
20 papers filed with the authority, the minute book or journal of the
21 authority and its official seal. The secretary shall make copies
22 of all minutes and other records and documents of the authority
23 and give certificates under the official seal of the authority to
24 the effect that the copies are true copies, and all persons
25 dealing with the authority may rely upon the certificates.

 G. Meetings of the authority shall be held at the call

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of the chairman or whenever three members shall so request in writing. A majority of members then serving constitutes a quorum for the transaction of any business. The affirmative vote of at least a majority of a quorum present shall be necessary for any action to be taken by the authority. An ex-officio member may designate in writing another person to attend meetings of the authority and to the same extent and with the same effect act in his stead. No vacancy in the membership of the authority shall impair the right of a quorum to exercise all rights and perform all duties of the authority.

H. Each member of the authority shall give bond as provided in the Surety Bond Act. All costs of the surety bonds shall be borne by the authority.

I. The authority is not created or organized, and its operations shall not be conducted, for the purpose of making a profit. No part of the revenues or assets of the authority shall benefit or be distributable to its members, officers or other private persons. The members of the authority shall receive no compensation for their services, but shall be reimbursed for actual and necessary expenses at the same rate and on the same basis as provided for public officers in the Per Diem and Mileage Act.

J. The authority shall not be subject to the supervision or control of any other board, bureau, department or agency of the state except as specifically provided in the New

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2 Mexico Finance Authority Act. No use of the terms "state agency"
3 or "instrumentality" in any other law of the state shall be deemed
4 to refer to the authority unless the authority is specifically
5 referred to in the law.

6 K. The authority is a governmental instrumentality for
7 purposes of the Tort Claims Act. "".

8
9 3. Renumber the succeeding sections accordingly.

10
11 4. On page 3, lines 24 and 25, strike "two million dollars
12 (\$2,000,000)" and insert in lieu thereof "three million seven
13 hundred fifty thousand dollars (\$3,750,000)".

14 5. On page 4, lines 2 and 3, strike "two million dollars
15 (\$2,000,000)" and insert in lieu thereof "three million seven
16 hundred fifty thousand dollars (\$3,750,000)".,

17
18 and thence referred to the APPROPRIATIONS AND FINANCE
19 COMMITTEE.

20
21 The roll call vote on Amendments #1 through #3 was 8 For 2
22 Against

23 Yes: 8

24 No: Crook, Parsons

25 Excused: Lovejoy, Sandoval, Sandel

Absent: None

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Respectfully submitted,

Jerry W. Sandel, Chairman

Adopted _____ Not Adopted _____

(Chief Clerk) (Chief Clerk)

Date _____

The roll call vote was 9 For 0 Against

Yes: 9

Excused: Hawkins, Lovejoy, Lujan, Ryan

Absent: None

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State of New Mexico House of Representatives

FORTY-SECOND LEGISLATURE
SECOND SESSION, 1996

February 9, 1996

Mr. Speaker:

Your APPROPRIATIONS AND FINANCE COMMITTEE, to
whom has been referred

HOUSE BILL 626, as amended

has had it under consideration and reports same with
recommendation that it DO PASS.

Respectfully submitted,

Max Coll, Chairman

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Adopted _____ Not Adopted _____

(Chief Clerk) (Chief Clerk)

Date _____

The roll call vote was 11 For 0 Against

Yes: 11

Excused: Bird, Casey, Coll, Gentry, Knowles, Martinez, Varela

Absent: none

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FORTY-SECOND LEGISLATURE
SECOND SESSION, 1996

February 13, 1996

Mr. President:

Your WAYS AND MEANS COMMITTEE, to whom has been referred

HOUSE BILL 626, as amended

has had it under consideration and reports same with recommendation that it DO PASS.

Respectfully submitted,

TITO D. CHAVEZ, Chairman

Adopted _____ Not Adopted _____

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SECOND SESSION, 1996

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(Chief Clerk)

(Chief Clerk)

Date _____

The roll call vote was 5 For 0 Against

Yes: 5

No: 0

Excused: Campos, Jennings, Rhodes

Absent: None

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Underscored material = new
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