

1 AN ACT  
2 RELATING TO PUBLIC PROPERTY; AMENDING THE STATE BUILDING  
3 BONDING ACT TO PROVIDE THAT THE ACT APPLIES ONLY TO THE 3  
4 ACQUISITION OF STATE OFFICE BUILDINGS; AMENDING LAWS 2001, 3  
5 CHAPTER 166 TO AUTHORIZE THE ACQUISITION OF CERTAIN PROPERTY BY 2  
6 THE PROPERTY CONTROL DIVISION OF THE GENERAL SERVICES P  
7 DEPARTMENT AND TO APPROPRIATE BOND PROCEEDS FOR CERTAIN a  
8 ACTIVITIES OF THE CAPITOL BUILDINGS PLANNING COMMISSION; MAKING g  
9 AN APPROPRIATION. e  
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11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

12 Section 1. A new section of the State Building Bonding Act, Section 6-21C-  
13 2 NMSA 1978, is enacted to read:

14 "6-21C-2. FINDINGS AND PURPOSE.--

15 A. The legislature finds that the expense of leasing office space for  
16 state occupancy has grown to the point that the state would be better served if more  
17 state-owned facilities were acquired. The legislature further finds that the state's  
18 overall occupancy costs could be reduced even after taking into account the  
19 payments necessary on bonds issued to acquire additional facilities and that,  
20 therefore, it is economically advantageous for the state to own additional office  
21 space. Further, in anticipation of the state's future office space needs, the  
22 legislature finds it prudent to establish an office acquisition program.

23 B. The purpose of the State Building Bonding Act is to acquire  
24 additional state office buildings by issuing bonds paid for with distributions of gross  
25 receipts tax revenue that reflect a portion of the savings that will result from the  
conversion to more state-owned facilities."

Section 2. Section 6-21C-3 NMSA 1978 (being Laws 2001, Chapter 199,

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1 Section 3, as amended) is amended to read:

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2 "6-21C-3. DEFINITIONS.--As used in the State Building Bonding Act:

3 A. "acquiring" or "acquisition" includes acquiring or acquisition by  
4 purchase, construction or renovation; and

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5 B. "building bonds" means state office building tax revenue bonds."

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6 Section 3. Section 6-21C-4 NMSA 1978 (being Laws 2001, Chapter 199,

7 Section 4, as amended) is amended to read:

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8 "6-21C-4. NEW MEXICO FINANCE AUTHORITY SHALL ISSUE BUILDING  
9 BONDS--APPROPRIATION OF PROCEEDS.--

10 A. The New Mexico finance authority is authorized to issue and sell  
11 revenue bonds, known as "state office building tax revenue bonds", payable solely  
12 from the state building bonding fund, in compliance with the State Building Bonding  
13 Act for the purpose of acquiring state office buildings when the acquisition has been  
14 reviewed by the capitol buildings planning commission and has been authorized by  
15 legislative act and the director of the property control division of the general  
16 services department has certified the need for the issuance of the bonds.

17 B. The net proceeds from the building bonds are appropriated to the  
18 property control division of the general services department for the purpose of  
19 acquiring state office buildings, the acquisition of which shall be consistent with the  
20 State Building Bonding Act and the authorizing legislation."

21 Section 4. Section 6-21C-5 NMSA 1978 (being Laws 2001, Chapter 199,  
22 Section 5, as amended) is amended to read:

23 "6-21C-5. STATE BUILDING BONDING FUND CREATED--MONEY IN THE  
24 FUND PLEDGED.--

25 A. The "state building bonding fund" is created as a special fund  
within the New Mexico finance authority. The fund shall be administered by the  
New Mexico finance authority as a special account. The fund shall consist of

1 money appropriated and transferred to the fund and gross receipts tax revenues  
2 distributed to the fund by law. Earnings of the fund shall be credited to the fund.  
3 Balances in the fund at the end of any fiscal year shall remain in the fund, except as  
4 provided in this section.

5 B. Money in the state building bonding fund is pledged for the  
6 payment of principal and interest on all building bonds issued pursuant to the State  
7 Building Bonding Act. Money in the fund is appropriated to the New Mexico finance  
8 authority for the purpose of paying debt service, including redemption premiums, on  
9 the building bonds and the expenses incurred in the issuance, payment and  
10 administration of the bonds.

11 C. On the last day of January and July of each year, the New  
12 Mexico finance authority shall estimate the amount needed to make debt service  
13 and other payments during the next twelve months from the state building bonding  
14 fund on the building bonds issued pursuant to the State Building Bonding Act plus  
15 the amount that may be needed for any required reserves. The New Mexico  
16 finance authority shall transfer to the general fund any balance in the state building  
17 bonding fund above the estimated amounts.

18 D. Any balance remaining in the state building bonding fund shall be  
19 transferred to the general fund upon certification by the New Mexico finance  
20 authority that:

21 (1) the director of the property control division of the general  
22 services department and the New Mexico finance authority have agreed that the  
23 building bonds issued pursuant to the State Building Bonding Act have been retired,  
24 that no additional obligations of the state building bonding fund exist and that no  
25 additional expenditures from the fund are necessary; or

(2) a court of jurisdiction has ruled that the building bonds  
have been retired, that no additional obligations of the state building bonding fund

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1 exist and that no additional expenditures from the fund are necessary.

2 E. The building bonds issued pursuant to the State Building Bonding  
3 Act shall be payable solely from the state building bonding fund or, with the  
4 approval of the bondholders, such other special funds as may be provided by law  
5 and do not create an obligation or indebtedness of the state within the meaning of  
6 any constitutional provision. No breach of any contractual obligation incurred  
7 pursuant to that act shall impose a pecuniary liability or a charge upon the general  
8 credit or taxing power of the state, and the bonds are not general obligations for  
9 which the state's full faith and credit is pledged.

10 F. The state does hereby pledge that the state building bonding fund  
11 shall be used only for the purposes specified in this section and pledged first to pay  
12 the debt service on the building bonds issued pursuant to the State Building  
13 Bonding Act. The state further pledges that any law authorizing the distribution of  
14 taxes or other revenues to the state building bonding fund or authorizing  
15 expenditures from the fund shall not be amended or repealed or otherwise modified  
16 so as to impair the bonds to which the state building bonding fund is dedicated as  
17 provided in this section."

18 Section 5. Section 6-21C-8 NMSA 1978 (being Laws 2001, Chapter 199,  
19 Section 8, as amended) is amended to read:

20 "6-21C-8. PROCEDURE FOR SALE OF BUILDING BONDS.--

21 A. Building bonds shall be sold by the New Mexico finance authority  
22 at such times and in such manner as the authority may elect, consistent with the  
23 need of the property control division of the general services department, either at  
24 private sale for a negotiated price or to the highest bidder at public sale for cash at  
25 not less than par and accrued interest.

B. In connection with any public sale of building bonds, the New  
Mexico finance authority shall publish a notice of the time and place of sale in a

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1 newspaper of general circulation in the state and also in a recognized financial  
2 journal outside the state. Such publication shall be made once each week for two  
3 consecutive weeks prior to the date fixed for such sale, the last publication to be  
4 two business days prior to the date of sale. Such notice shall specify the amount,  
5 denomination, maturity and description of the bonds to be offered for sale and the  
6 place, day and hour at which sealed bids therefor shall be received. All bids, except  
7 that of the state, shall be accompanied by a deposit of two percent of the principal  
8 amount of the bonds. Deposits of unsuccessful bidders shall be returned upon  
9 rejection of the bid. At the time and place specified in such notice, the New Mexico  
10 finance authority shall open the bids in public and shall award the bonds, or any  
11 part thereof, to the bidder or bidders offering the best price. The New Mexico  
12 finance authority may reject any or all bids and readvertise.

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13 C. The New Mexico finance authority may sell a building bond issue,  
14 or any part thereof, to the state or to one or more investment bankers or institutional  
15 investors at private sale."

16 Section 6. Laws 2001, Chapter 166, Section 1 is amended to read:

17 "Section 1. AUTHORIZATION TO ACQUIRE PROPERTY--  
18 APPROPRIATION.--

19 A. In order to acquire the following properties for use as state  
20 agency offices in Santa Fe county, the property control division of the general  
21 services department may:

22 (1) purchase and renovate, equip and furnish the national  
23 education association building on South Capitol street;

24 (2) plan, design, construct, equip and furnish a new office  
25 building with integrated parking at the west capitol complex on Cerrillos road,  
pursuant to the design funded by Subsection I of Section 14 of Chapter 118 of Laws  
1998, at a price not to exceed twenty-five million dollars (\$25,000,000);

1 (3) purchase and renovate, equip and furnish the public S  
2 employees retirement association building on Paseo de Peralta; and B  
3 (4) purchase land within or in close proximity to the public 3  
4 safety campus as set out in the capitol buildings master plan developed by the 3  
5 capitol buildings planning commission; provided that no land shall be purchased 2  
6 pursuant to this paragraph that does not have, in place, water, sewer, electricity and P  
7 other necessary infrastructure. a  
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8 B. The acquisitions of property pursuant to Subsection A of this  
9 section shall be made in the priority order listed in that subsection. Purchases  
10 authorized in Paragraphs (1), (2) and (4) of Subsection A of this section shall be  
11 made at a price not to exceed the value of the property established by the taxation  
12 and revenue department using generally accepted appraisal techniques for the type  
13 of property purchased. The purchase authorized in Paragraph (3) of Subsection A  
14 of this section shall be made at a price negotiated with the retirement board of the  
15 public employees retirement association that is not less than the fair market value of  
16 the property and building.

17 C. If state office building tax revenue bonds issued pursuant to Laws  
18 2001, Chapter 166, Section 2 are outstanding, then, as amounts become available  
19 in the property control reserve fund, as much of the property control reserve fund as  
20 is necessary to pay the debt service and other payments on the bonds plus any  
21 amount needed for any required reserves shall be transferred from the property  
22 control reserve fund to the state office building bonding fund.

23 D. If state office building tax revenue bonds have not been issued  
24 pursuant to Laws 2001, Chapter 166, Section 2 or if the bonds have been issued  
25 but are no longer outstanding, then, as amounts become available in the property  
control reserve fund, as much of the property control reserve fund as is necessary  
to comply with the provisions of Subsection A of this section is appropriated to the

1 property control division of the general services department for expenditure in fiscal  
2 year 2001 and subsequent fiscal years."

3 Section 7. Laws 2001, Chapter 166, Section 2 is amended to read:

4 "Section 2. STATE OFFICE BUILDING TAX REVENUE BONDS--  
5 AUTHORIZATION--CONTINGENCY.--

6 A. The New Mexico finance authority may issue and sell state office  
7 building tax revenue bonds in compliance with the State Office Building Acquisition  
8 Bonding Act in a total amount not to exceed seventy-five million dollars  
9 (\$75,000,000) when the director of the property control division of the general  
10 services department certifies to the authority that the proceeds from the state office  
11 building tax revenue bonds are needed to acquire one or more of the properties  
12 specified in Laws 2001, Chapter 166, Section 1. The authority shall schedule the  
13 issuance and sale of the bonds in the most expeditious and economical manner  
14 possible upon a finding by the authority that the acquisition can proceed within a  
15 reasonable time. The authority shall further take the appropriate steps necessary to  
16 comply with the Internal Revenue Code of 1986, as amended. Except as provided  
17 in Subsection B of this section, proceeds from the sale of the bonds are  
18 appropriated to the property control division of the general services department for  
19 expenditure in fiscal year 2001 and subsequent fiscal years for the purpose of  
20 making the acquisitions pursuant to Laws 2001, Chapter 166, Section 1.

21 B. Two hundred fifty thousand dollars (\$250,000) of the bond  
22 proceeds are appropriated to the legislative council service for expenditure in fiscal  
23 years 2004 through 2007 for the purpose of providing funding for the capitol  
24 buildings planning commission, master planning process for state facilities and for  
25 annual updates to master plans, but excluding any payments for salaries, benefits  
and costs of state employees. Any unexpended or unencumbered balance  
remaining at the end of fiscal year 2007 shall revert to the state building bonding

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1 fund.

2 C. The authorization made in Subsection A of this section is  
3 contingent upon the enactment into law of the State Office Building Acquisition  
4 Bonding Act by the first session of the forty-fifth legislature."

5 Section 8. TEMPORARY PROVISION--OUTSTANDING STATE MUSEUM  
6 TAX REVENUE BONDS.--Nothing in this act shall be deemed to impair state  
7 museum tax revenue bonds outstanding on the effective date of this act. For the  
8 purposes of the obligations incurred with respect to those bonds:

9 A. the bonds shall be deemed to be "building bonds" pursuant to the  
10 provisions of the State Building Bonding Act;

11 B. money in the state building bonding fund is pledged for the  
12 payment of principal and interest on those bonds to the same extent as the fund  
13 was pledged prior to the effective date of this 2004 act; and

14 C. the state further pledges that any law authorizing the distribution  
15 of taxes or other revenues to the state building bonding fund or authorizing  
16 expenditures from the fund shall not be amended or repealed or otherwise modified  
17 so as to impair those bonds.

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