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AN ACT

RELATING TO REGIONAL HOUSING; AMENDING THE REGIONAL HOUSING  
LAW TO CHANGE A CERTAIN DEFINITION AND TO ALLOW BONDS TO BE  
SOLD AT NEGOTIATED SALES.

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

Section 1. Section 11-3A-3 NMSA 1978 (being Laws 1994,  
Chapter 132, Section 3, as amended) is amended to read:

"11-3A-3. DEFINITIONS.--As used in the Regional Housing  
Law:

A. "authority" means any regional housing  
authority or a nonprofit corporation created by an authority;

B. "bond" means any bond, note, interim  
certificate, debenture or other obligation issued by an  
authority pursuant to the Regional Housing Law;

C. "federal government" includes the United States  
of America, programs of the United States department of  
housing and urban development, the farmers home  
administration and rural development administration of the  
United States department of agriculture or housing programs  
or any other agency or instrumentality, corporate or  
otherwise, of the United States of America;

D. "housing project" means an undertaking of an  
authority to:

- (1) demolish, clear or remove buildings from
- SB 311  
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1 any slum area. The undertaking may embrace the adaptation of  
2 the area to public purposes, including parks or other  
3 recreational or community purposes; or

4 (2) provide decent, safe and sanitary  
5 dwellings, apartments, single-family dwellings or other  
6 living accommodations for low-income persons. The  
7 undertaking may include buildings, land, equipment,  
8 facilities and other real or personal property for necessary,  
9 convenient or desirable appurtenances, streets, sewers, water  
10 service, parks, site preparation or gardening or  
11 administrative, community, health, recreational, welfare or  
12 other purposes. "Housing project" also may be applied to the  
13 planning of buildings and improvements, acquisition of  
14 property or existing structures, demolition of existing  
15 structures, construction, reconstruction, alteration and  
16 repair of improvements or buildings or any other work  
17 performed to complete housing projects;

18 E. "local public body" means any county,  
19 municipality, commission, district or other subdivision of  
20 the state;

21 F. "low-income person" means:

22 (1) an individual, couple or family who  
23 lacks the amount of income that is necessary, as determined  
24 by rule of the authority, to enable that individual, couple  
25 or family, without financial assistance, to live in decent,

1 safe and sanitary dwellings without overcrowding; or

2 (2) a low-income person as defined by the  
3 federal government;

4 G. "obligee" means:

5 (1) a holder of bonds issued pursuant to the  
6 Regional Housing Law or a trustee for that bondholder;

7 (2) a lessor leasing to an authority  
8 property used in connection with a housing project or any  
9 assignee of a lessor's interest or partial interest; or

10 (3) the federal government when it is a  
11 party to a contract with an authority in regard to a housing  
12 project;

13 H. "real property" includes all lands, including  
14 improvements and fixtures on the land, property of any nature  
15 appurtenant to or used in connection with the land and every  
16 estate, interest and right, legal or equitable, in the land,  
17 including terms for years and liens by way of judgment,  
18 mortgage or other instrument and the indebtedness secured by  
19 the lien; and

20 I. "slum" means any area where dwellings  
21 predominate, which by reason of dilapidation, overcrowding,  
22 lack of ventilation, light or sanitary facilities or any  
23 combination of these factors are detrimental to safety,  
24 health or morals."

1 Chapter 132, Section 15, as amended) is amended to read:

2 "11-3A-15. FORM AND SALE OF BONDS--INTEREST ON CERTAIN  
3 OBLIGATIONS.--

4 A. Bonds of an authority issued pursuant to the  
5 provisions of the Regional Housing Law shall be authorized by  
6 a resolution of the regional authority's board. The  
7 resolution, its trust indenture or the bonds to be issued  
8 shall set forth with regard to the bonds the date of  
9 issuance, the date of maturity, the rates of interest that  
10 the bonds will bear, the denominations, the form, either  
11 coupon or registered, the conversion or registration  
12 privileges, the rank or priority, the manner of execution,  
13 the medium and place of repayment and the terms of  
14 redemption, with or without premiums.

15 B. Obligations issued by an authority that are  
16 true loan obligations made to the farmers home administration  
17 of the United States department of agriculture or the  
18 department of housing and urban development may bear interest  
19 at a rate of interest not exceeding par.

20 C. The bonds shall be sold at not less than par at  
21 a negotiated or public sale. If sold at a public sale, the  
22 sale shall be held after notice published once at least five  
23 days prior to the sale in a newspaper having a general  
24 circulation in the authority; provided that the bonds may be  
25 sold to the federal government at private sale at not less

1 than par, and, in the event fewer than all of the bonds  
2 authorized in connection with any housing project are sold to  
3 the federal government, the balance of the bonds may be sold  
4 at private sale at not less than par at an interest cost to  
5 the authority that does not exceed the interest cost to the  
6 authority of the portion of the bonds sold to the federal  
7 government.

8 D. If an officer of an authority or any of its  
9 instrumentalities whose signature appears on bonds issued  
10 pursuant to the Regional Housing Law ceases to hold that  
11 office before the delivery of the bonds, the signature shall,  
12 nevertheless, be valid and sufficient for all purposes the  
13 same as if the officer had remained in office until delivery.  
14 Any provision of any law to the contrary notwithstanding, any  
15 bonds issued pursuant to the Regional Housing Law shall be  
16 fully negotiable.

17 E. In any suit, action or proceedings involving  
18 the validity or enforceability of any bond of an authority or  
19 the security for the bonds, any bond reciting in substance  
20 that it has been issued by the authority to aid in financing a  
21 housing project to provide dwelling accommodations for  
22 low-income persons shall be conclusively deemed to have been  
23 issued for a housing project of that character, and the  
24 housing project shall be conclusively deemed to have been  
25 planned, located and constructed in accordance with the

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purposes and provisions of the Regional Housing Law."