

FORTY-NINTH LEGISLATURE
FIRST SESSION, 2009

HB 377/a

March 19, 2009

Madam President:

Your **FINANCE COMMITTEE**, to whom has been referred

HOUSE BILL 377

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

1. On page 1, line 13, after "ACT", insert "; INCREASING THE TYPES OF RESIDENTIAL PROPERTY THAT MAY BE INCLUDED IN BUSINESS IMPROVEMENT DISTRICTS".

2. On page 5, between lines 24 and 25, insert the following new Sections 2 and 3:

"Section 2. Section 3-63-5 NMSA 1978 (being Laws 1988, Chapter 32, Section 5, as amended) is amended to read:

"3-63-5. DISTRICT--AUTHORITY--CREATION.--

A. A district shall assess a business improvement benefit fee on any real property or business located within the district.

B. A district shall include any real property or business that benefits by the improvements set out in the business improvement district plan and that is located within the district's geographic boundaries.

C. The district benefit fee assessment schedule shall not include:

(1) governmentally owned real property;

(2) residential real property that is not multifamily residential rental property with at least four units or homeowners associations of multifamily ownership properties; [✕]

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(3) real property owned by a nonprofit corporation;

or

(4) residential real property, located within an existing district, that became eligible for a business improvement benefit fee assessment after the district was created, unless the ordinance that created the district is amended to include the new business or property after notice is provided and a hearing is held in accordance with Section 3-63-10 NMSA 1978.

D. A district may be created by petition of real property owners or by petition of business owners in a proposed district after notice and public hearing."

Section 3. Section 3-63-13 NMSA 1978 (being Laws 1988, Chapter 32, Section 13, as amended) is amended to read:

"3-63-13. ANNUAL ASSESSMENT--SPECIAL ACCOUNT.--

A. The council, upon recommendation of the management committee, may annually assess a business improvement benefit fee as defined by the ordinance upon all real property owners and business owners, exclusive of [~~any real property owned by the United States or the state or any of its political subdivisions located within the district~~]:

(1) governmentally owned real property;

(2) residential real property that is not multifamily residential rental property with at least four units or homeowners associations of multifamily ownership properties;

(3) real property owned by a nonprofit corporation;

or

(4) residential real property, located within an existing district, that became eligible for a business improvement

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benefit fee assessment after the district was created, unless the ordinance that created the district is amended to include the new business or property after notice is provided and a hearing is held in accordance with Section 3-63-10 NMSA 1978.

B. The council may make reasonable classifications regarding real property owners located within the district. The annual assessment may be based on the amount of space used for business purposes, street front footage, building or land square footage or such other factors or combination of factors as shall be deemed reasonable. The annual assessment shall be in addition to any other incorporated municipal-imposed license fees or other taxes, fees or other charges assessed or levied for the general benefit and use of the incorporated municipality.

~~[B.]~~ C. All money received by the municipality from the district assessment shall be held in a special account for the benefit of the district.

~~[C.]~~ D. In the case of a district that was created by a majority of real property owners, the amount owed by a commercial tenant shall be proportional to the square footage of space that the tenant rents but shall not be more than seventy-five percent of the total business improvement benefit fee assessed on the property. The property owner shall pay at least twenty-five percent of the business improvement benefit fee.

~~[D.]~~ E. In the case of a district that was created by a majority of businesses, the business improvement benefit fee shall be collected at the same time that the real property owner's property taxes are collected. Businesses shall be assessed for one hundred percent of the business fee assessed to the property."".

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Respectfully submitted,

John Arthur Smith, Chairman

Adopted _____ Not Adopted _____
(Chief Clerk) (Chief Clerk)

Date _____

The roll call vote was 9 For 0 Against

Yes: 9

No: 0

Excused: Beffort, Campos

Absent: None

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