

AN ACT

RELATING TO FINANCE; AUTHORIZING THE ISSUANCE OF BONDS SECURED BY A STATE GROSS RECEIPTS TAX INCREMENT FOR THE TAOS SKI VALLEY TAX INCREMENT DEVELOPMENT DISTRICT; DECLARING AN EMERGENCY.

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

**SECTION 1.** AUTHORIZATION OF ISSUANCE OF BONDS.--The legislature authorizes the issuance of bonds not to exceed forty-four million dollars (\$44,000,000) in net proceeds as adjusted for inflation, secured by tax increments authorized pursuant to the Tax Increment for Development Act to be pledged to pay the principal of and interest on the bonds, including a gross receipts tax increment attributed to the imposition of the state gross receipts tax within the village of Taos Ski Valley tax increment development district, subject to the review and approval by the New Mexico finance authority of:

A. the master indenture prior to issuance of any bonds; and

B. any amendments to the master indenture prior to issuance of any bonds after any amendments are made.

**SECTION 2.** DURATION OF AUTHORIZATION.--The duration of the authorization for issuance of bonds in this act shall be twenty-five years from the date of issuance of the first

series of tax increment bonds of the district, unless and until this act is repealed or modified by the legislature.

**SECTION 3. CERTAIN CAPITAL PROJECTS PROHIBITED.--**

A. The legislature shall not approve or authorize any capital outlay projects within the village of Taos Ski Valley tax increment development district during the period in which any bonds issued by the district pursuant to Section 1 of this act are outstanding, except for buildings, facilities or infrastructure that are owned by the state or one of its agencies, institutions or political subdivisions and that are:

(1) public school buildings or facilities;

(2) higher education buildings or

facilities;

(3) cultural buildings or facilities;

(4) buildings, facilities or infrastructure used for public safety; or

(5) buildings, facilities or infrastructure used for other public purposes.

B. Nothing in this section prohibits the legislature from authorizing expenditures pursuant to law for economic development projects within the village of Taos Ski Valley tax increment development district during the period in which tax increment development bonds are outstanding.

**SECTION 4. REDUCTION IN STATE GROSS RECEIPTS TAX**

REVENUE.--Once the developer of the village of Taos Ski Valley

tax increment development project has been fully reimbursed, regardless of the source of reimbursement, for the costs of eligible infrastructure, the village of Taos Ski Valley tax increment development district shall provide to the state board of finance the estimated amount of state gross receipts tax increment revenue required to pay the debt service on the district's outstanding bonds and to meet any required debt-service coverage and reserve requirements specified in the master indenture for any bonds payable from the state gross receipts tax increment. The board shall:

A. review that estimate;

B. determine:

(1) the reduced amount of state gross receipts tax increment revenue necessary each year to meet those requirements; and

(2) the reduction to the percentage of dedicated state gross receipts tax increment revenue corresponding to that reduced amount; and

C. notify the taxation and revenue department of the amount of that reduction, which shall take effect as soon as practicable after notification.

**SECTION 5. EMERGENCY.**--It is necessary for the public peace, health and safety that this act take effect immediately.\_\_\_\_\_