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AN ACT

RELATING TO FINANCE; AUTHORIZING THE ISSUANCE OF BONDS
SECURED BY A STATE GROSS RECEIPTS TAX INCREMENT FOR THE SOUTH
CAMPUS 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 two hundred sixty-seven million dollars (\$267,000,000) 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 south campus 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

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2 until this act is repealed or modified by the legislature.

3 SECTION 3. CERTAIN CAPITAL PROJECTS PROHIBITED.--

4 A. The legislature shall not approve or authorize
5 any capital outlay projects within the south campus tax
6 increment development district during the period in which any
7 bonds issued by the district pursuant to Section 1 of this
8 act are outstanding, except for buildings, facilities or
9 infrastructure that are owned by the state or one of its
10 agencies, institutions or political subdivisions and that
11 are:

12 (1) public school buildings or facilities;

13 (2) higher education buildings or
14 facilities;

15 (3) cultural buildings or facilities;

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

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

20 B. Nothing in this section prohibits the
21 legislature from authorizing expenditures pursuant to law for
22 economic development projects within the south campus tax
23 increment development district during the period in which tax
24 increment development bonds are outstanding.

25 SECTION 4. REDUCTION IN STATE GROSS RECEIPTS TAX

1 REVENUE.--Once the developer of the south campus tax
2 increment development project has been fully reimbursed,
3 regardless of the source of reimbursement, for the costs of
4 eligible infrastructure, the south campus tax increment
5 development district shall provide to the state board of
6 finance the estimated amount of state gross receipts tax
7 increment revenue required to pay the debt service on the
8 district's outstanding bonds and to meet any required debt-
9 service coverage and reserve requirements specified in the
10 master indenture for any bonds payable from the state gross
11 receipts tax increment. The board shall:

12 A. review that estimate;

13 B. determine:

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

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

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

23 SECTION 5. EMERGENCY.--It is necessary for the public
24 peace, health and safety that this act take effect
25 immediately. _____