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AN ACT

RELATING TO INDUSTRIAL REVENUE BONDS; AMENDING THE INDUSTRIAL REVENUE BOND ACT AND THE COUNTY INDUSTRIAL REVENUE BOND ACT REGARDING HOW CERTAIN PAYMENT-IN-LIEU-OF-TAXES PAYMENTS ARE SHARED AMONG SCHOOL DISTRICTS; DECLARING AN EMERGENCY.

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

SECTION 1. Section 3-32-6 NMSA 1978 (being Laws 1965, Chapter 300, Section 14-31-3, as amended) is amended to read:

"3-32-6. ADDITIONAL POWERS CONFERRED ON

MUNICIPALITIES.--In addition to any other powers that it may now have, a municipality shall have the following powers:

A. to acquire, whether by construction, purchase, gift or lease, one or more projects that shall be located within this state and may be located within or without the municipality or partially within or partially without the municipality, but which shall not be located more than fifteen miles outside of the corporate limits of the municipality; provided that:

(1) urban transit buses qualifying as a project pursuant to Subsection B of Section 3-32-3 NMSA 1978 need not be continuously located within this state, but the commercial enterprise using the urban transit buses for leasing shall meet the location requirement of this subsection; and

1                   (2) a municipality shall not acquire any  
2 electricity generation or transmission facility project  
3 unless the school districts within the municipality in which  
4 the project is located receive annual in-lieu tax payments;  
5 provided that the annual in-lieu tax payments required by  
6 this paragraph shall be:

7                   (a) payable to the school districts for  
8 the period the municipality owns and leases the project;

9                   (b) in an aggregate amount equal to the  
10 amount received by the municipality multiplied by the  
11 percentage determined by dividing the average of mills  
12 imposed by the school districts within the municipality plus  
13 state debt service mills as of the date of issuance of the  
14 bonds by the average of the mills imposed by all entities  
15 levying taxes on property in the municipality as of such  
16 date;

17                   (c) divided among the school districts  
18 located within the municipality, if there is more than one  
19 school district in such municipality, and the in-lieu payment  
20 shall be allocated as follows: 1) fifty percent allocated  
21 equally among all school districts in which the project is  
22 located; 2) forty percent allocated to the school districts  
23 within the municipality in proportion to the area of each  
24 school district within the municipality; and 3) ten percent  
25 allocated to the school districts in proportion to the

1 average of each school district's student membership pursuant  
2 to the Public School Code reported on the second and third  
3 reporting dates for the most recent school year for which  
4 data is available as of the date of issuance of the bonds;  
5 and

6 (d) for each individual school district  
7 located within the municipality, no less than the amount due  
8 to the school district in the tax year immediately preceding  
9 the issuance of the bonds from the property included in a  
10 project, had such project not been created;

11 B. to sell or lease or otherwise dispose of any or  
12 all of its projects upon such terms and conditions as the  
13 governing body may deem advisable and as shall not conflict  
14 with the provisions of the Industrial Revenue Bond Act;

15 C. to issue revenue bonds for the purpose of  
16 defraying the cost of acquiring by construction and purchase,  
17 or either, any project and to secure the payment of such  
18 bonds, all as provided in the Industrial Revenue Bond Act.  
19 No municipality shall have the power to operate any project  
20 as a business or in any manner except as lessor;

21 D. to refinance one or more hospital or 501(c)(3)  
22 corporation projects and to acquire any such hospital or  
23 501(c)(3) corporation project whether by construction,  
24 purchase, gift or lease, which hospital or 501(c)(3)  
25 corporation project shall be located within this state and

1 may be located within or without the municipality or  
2 partially within or partially without the municipality, but  
3 which shall not be located more than fifteen miles outside of  
4 the corporate limits of the municipality, and to issue  
5 revenue bonds to refinance and acquire a hospital or  
6 501(c)(3) corporation project and to secure the payment of  
7 such bonds, all as provided in the Industrial Revenue Bond  
8 Act. A municipality shall not have the power to operate a  
9 hospital or 501(c)(3) corporation project as a business or in  
10 any manner except as lessor; and

11 E. to refinance one or more projects of any  
12 private institution of higher education and to acquire any  
13 such project, whether by construction, purchase, gift or  
14 lease; provided that the project shall be located within this  
15 state and may be located within or without the municipality  
16 or partially within or partially without the municipality,  
17 but the project shall not be located more than fifteen miles  
18 outside of the corporate limits of the municipality, and to  
19 issue revenue bonds to refinance and acquire any project of  
20 any private institution of higher education and to secure the  
21 payment of such bonds. A municipality shall not have the  
22 power to operate a project of a private institution of higher  
23 education as a business or in any manner except as lessor."

24 SECTION 2. Section 4-59-4 NMSA 1978 (being Laws 1975,  
25 Chapter 286, Section 4, as amended) is amended to read:

1 "4-59-4. ADDITIONAL POWERS CONFERRED ON COUNTIES.--In  
2 addition to any other powers that it may now have, each  
3 county shall have the following powers:

4 A. to acquire, whether by construction, purchase,  
5 gift or lease, one or more projects, which shall be located  
6 within this state and shall be located within the county  
7 outside the boundaries of any incorporated municipality;  
8 provided, however, that:

9 (1) a class A county with a population of  
10 more than three hundred thousand may acquire projects located  
11 anywhere in the county; and

12 (2) a county shall not acquire any  
13 electricity generation or transmission facility project  
14 unless the school districts within the county in which the  
15 project is located receive annual in-lieu tax payments;  
16 provided that the annual in-lieu tax payments required by  
17 this paragraph shall be:

18 (a) payable to the school districts for  
19 the period the county owns and leases the project;

20 (b) in an aggregate amount equal to the  
21 amount received by the county multiplied by the percentage  
22 determined by dividing the average of all of the mills  
23 imposed by the school districts in the county, including the  
24 operating, capital improvement, building improvement,  
25 education technology and bond mills imposed by the school

1 districts in the county plus state debt service mills as of  
2 the date of issuance of the bonds by the average of the mills  
3 imposed by all entities levying taxes on property in the  
4 county as of such date;

5 (c) divided among the school districts  
6 located within the county, and if there is more than one  
7 school district in such county, the in-lieu payment shall be  
8 allocated as follows: 1) fifty percent allocated equally  
9 among all school districts in which the project is located;  
10 2) forty percent allocated to the school districts within the  
11 county in proportion to the area of each school district  
12 within the county; and 3) ten percent allocated to the school  
13 districts in proportion to the average of each school  
14 district's student membership pursuant to the Public School  
15 Code reported on the second and third reporting dates for the  
16 most recent school year for which data is available as of the  
17 date of issuance of the bonds; and

18 (d) for each individual school district  
19 located within the county, no less than the amount due to the  
20 school district in the tax year immediately preceding the  
21 issuance of the bonds from the property included in a  
22 project, had such project not been created;

23 B. to sell or lease or otherwise dispose of any or  
24 all of its projects upon such terms and conditions as the  
25 commission may deem advisable and as shall not conflict with

1 the provisions of the County Industrial Revenue Bond Act; and

2 C. to issue revenue bonds for the purpose of  
3 defraying the cost of acquiring, by construction and purchase  
4 or either, any project and to secure the payment of such  
5 bonds, all as provided in the County Industrial Revenue Bond  
6 Act. No county shall have the power to operate any project  
7 as a business or in any manner except as lessor thereof."

8 SECTION 3. EMERGENCY.--It is necessary for the public  
9 peace, health and safety that this act take effect  
10 immediately. \_\_\_\_\_

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