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HOUSE BILL 1093

43RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1997

INTRODUCED BY

GARY K. KING

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; AUTHORIZING THE ISSUANCE OF
CREDIT FOR AN AEROSPACE MANUFACTURING FACILITY IN TORRANCE
COUNTY; DECLARING AN EMERGENCY.

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

Section 1. STANDBY LETTER OF CREDIT. -- The department of
finance and administration may issue a standby letter of credit
in an amount not exceeding five hundred million dollars
(\$500,000,000) for the purpose of providing collateral for the
costs of constructing facilities and establishing corporate
headquarters for the IOSTAR-INTRASPACE corporation and providing
the capability for design, development and initial operations of
the IOSTAR SPACE TV6 to be located in Torrance county when the
department certifies that the following conditions have been
met:

Underscored material = new
[bracketed material] = delete

1 A. the department of finance and administration
2 finds that the project has been developed sufficiently to
3 justify the issuance of the standby letter of credit and that
4 the project can proceed to contract within a reasonable time;

5 B. the parent corporation, IOSTAR, and the
6 INTRASPACE corporation agree to locate its headquarters in New
7 Mexico;

8 C. the standby letter of credit will be issued in
9 full conformance with banking laws;

10 D. the contract that the standby letter of credit
11 guarantees will be structured to eliminate any possibility of
12 default by IOSTAR or INTRASPACE corporation and will preclude
13 any default placing the state of New Mexico at financial risk;

14 E. the department of finance and administration may
15 issue the standby letter of credit for no more than a four-year
16 duration through a major bank selected by the state of New
17 Mexico;

18 F. the standby letter of credit is issued to secure
19 funding from third parties for development of IOSTAR and
20 INTRASPACE corporation, a space TV6 manufacturing and advanced
21 space transportation and satellite telecommunications company;
22 and

23 G. the standby letter of credit shall not be cash-
24 redeemable by the corporation or any other entity.

25 Section 2. EMERGENCY.--It is necessary for the public

Underscored material = new
~~[bracketed material] = delete~~

1 peace, health and safety that this act take effect immediately.

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State of New Mexico House of Representatives

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

March 4, 1997

Mr. Speaker:

Your BUSINESS AND INDUSTRY COMMITTEE, to whom has
been referred

HOUSE BILL 1093

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

1. On page 1, line 23, delete "TV6" and insert "TUG".
2. On page 2, line 20, delete "TV6" and insert "TUG".,

and thence referred to the APPROPRIATIONS AND FINANCE
COMMITTEE.

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

HB/C/HB 1093

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Respectfully submitted,

Fred Luna, Chairman

Adopted _____

Not Adopted _____

(Chief Clerk)

(Chief Clerk)

Date _____

The roll call vote was 9 For 0 Against

Yes: 9

Excused: Gubbels, Hobbs, Rodella

Absent: Getty

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**State of New Mexico
House of Representatives**

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

March 20, 1997

Mr. Speaker:

Your APPROPRIATIONS AND FINANCE COMMITTEE, to
whom has been referred

HOUSE BILL 1093, as amended

has had it under consideration and reports same with
recommendation that it DO NOT PASS, but that

HOUSE APPROPRIATIONS AND FINANCE COMMITTEE
SUBSTITUTE FOR HOUSE BILL 1093

DO PASS.

Respectfully submitted,

Max Coll, Chairman

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

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Adopted _____ Not Adopted _____

(Chief Clerk)

(Chief Clerk)

Date _____

The roll call vote was 9 For 7 Against

Yes: 9

No: Abeyta, Buffett, Coll, Garcia, M H., Heaton, Pearce,
Picraux,

Excused: Marquardt

Absent: None

M \H1093

Underscored material = new
[bracketed material] = delete