

AN ACT

RELATING TO FINANCE; AMENDING THE NEW MEXICO FINANCE
AUTHORITY ACT TO ALLOW FINANCING OF EMERGENCY PUBLIC PROJECTS
FROM THE PUBLIC PROJECT REVOLVING FUND AND TO ADD TWO-YEAR
POST-SECONDARY INSTITUTIONS TO THE DEFINITION OF QUALIFIED
ENTITY; DECLARING AN EMERGENCY.

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

Section 1. Section 6-21-3 NMSA 1978 (being Laws 1992,
Chapter 61, Section 3, as amended) is amended to read:

"6-21-3. DEFINITIONS.--As used in the New Mexico
Finance Authority Act:

A. "authority" means the New Mexico finance
authority;

B. "bond" means any bonds, notes, certificates of
participation or other evidence of indebtedness;

C. "bondholder" or "holder" means a person who is
the owner of a bond, whether registered or not;

D. "emergency public project" means a public
project:

(1) made necessary by an unforeseen
occurrence or circumstance threatening the public health,
safety or welfare; and

(2) requiring the immediate expenditure of
money that is not within the available financial resources of

the qualified entity as determined by the authority;

E. "public project" means the acquisition, construction, improvement, alteration or reconstruction of assets of a long-term capital nature by a qualified entity, including land; buildings; water rights; water, sewerage and waste disposal systems; streets; airports; municipal utilities; parking facilities; and machinery, furniture and equipment. "Public project" includes all proposed expenditures related to the entire undertaking;

F. "qualified entity" means the state or an agency or institution of the state or a county, municipality, school district, two-year public post-secondary institution, land grant corporation, intercommunity water or natural gas supply association or corporation, special district or community water association or an Indian nation, tribe or pueblo located wholly or partially in New Mexico, including a political subdivision or a wholly owned enterprise of an Indian nation, tribe or pueblo; and

G. "security" or "securities", unless the context indicates otherwise, means bonds, notes or other evidence of indebtedness issued by a qualified entity or leases or certificates or other evidence of participation in the lessor's interest in and rights under a lease with a qualified entity and that are payable from taxes, revenues, rates, charges, assessments or user fees or from the proceeds

of funding or refunding bonds, notes or other evidence of indebtedness of a qualified entity or from certificates or evidence of participation in a lease with a qualified entity."

Section 2. A new section of the New Mexico Finance Authority Act is enacted to read:

"PUBLIC PROJECT REVOLVING FUND--EMERGENCY PUBLIC PROJECTS.--

A. Money on deposit in the public project revolving fund may be used to acquire securities or to make loans to qualified entities for emergency public projects. The amount of securities acquired from or the loan made to a qualified entity at any one time for any one emergency public project shall not exceed five hundred thousand dollars (\$500,000). Emergency public projects are not required to obtain the specific authorization by law required in Sections 6-21-6 and 6-21-8 NMSA 1978; however, each emergency public project must be specifically designated as such by the authority prior to the acquisition of securities or the making of a loan to a qualified entity for the emergency public project. The aggregate amount of loans for emergency public projects that may be made by the authority in any one fiscal year may not exceed three million dollars (\$3,000,000).

B. The provisions of this section shall be

effective until June 30, 2002."

Section 3. EMERGENCY.--It is necessary for the public
peace, health and safety that this act take effect
immediately. _____