

AN ACT

RELATING TO FINANCE; PROVIDING FOR A DISTRIBUTION OF GOVERNMENTAL
GROSS RECEIPTS TAX REVENUE TO THE OFFICE OF CULTURAL AFFAIRS;
ALLOWING THE OFFICE OF CULTURAL AFFAIRS TO ENTER INTO LOAN
AGREEMENTS WITH THE NEW MEXICO FINANCE AUTHORITY.

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

Section 1. Section 7-1-6.38 NMSA 1978 (being Laws 1994, Chapter 145,
Section 1, as amended) is amended to read:

"7-1-6.38. DISTRIBUTION--GOVERNMENTAL GROSS RECEIPTS TAX.--

A. A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made
to the public project revolving fund administered by the New Mexico finance authority in
an amount equal to seventy-five percent of the net receipts attributable to the
governmental gross receipts tax.

B. A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made
to the energy, minerals and natural resources department in an amount equal to
twenty-four percent of the net receipts attributable to the governmental gross receipts
tax. Forty-one and two-thirds percent of the distribution is appropriated to the energy,
minerals and natural resources department to implement the provisions of the New
Mexico Youth Conservation Corps Act and fifty-eight and one-third percent of the
distribution is appropriated to the energy, minerals and natural resources department
for state park and recreation area capital improvements, including the costs of
planning, engineering, design, construction, renovation, repair, equipment and
furnishings.

C. A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the office of cultural affairs in an amount equal to one percent of the net receipts attributable to the governmental gross receipts tax for capital improvements at state museums and monuments administered by the office of cultural affairs.

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D. The state pledges to and agrees with the holders of any bonds or notes issued by the New Mexico finance authority or by the energy, minerals and natural resources department and payable from the net receipts attributable to the governmental gross receipts tax distributed to the New Mexico finance authority or the energy, minerals and natural resources department pursuant to this section that the state will not limit, reduce or alter the distribution of the net receipts attributable to the governmental gross receipts tax to the New Mexico finance authority or the energy, minerals and natural resources department or limit, reduce or alter the rate of imposition of the governmental gross receipts tax until the bonds or notes together with the interest thereon are fully met and discharged. The New Mexico finance authority and the energy, minerals and natural resources department are authorized to include this pledge and agreement of the state in any agreement with the holders of the bonds or notes."

Section 2. Section 9-6-11 NMSA 1978 (being Laws 1980, Chapter 151, Section 56) is amended to read:

"9-6-11. STATE CULTURAL AFFAIRS OFFICER--DUTIES--POWERS.--

A. The state cultural affairs officer is responsible to the secretary of finance and administration for the operation of the office of cultural affairs. It is his duty to manage all operations of the office and to administer and enforce the laws with which he or the office is charged.

B. To perform his duties, the state cultural affairs officer has every power expressly enumerated in the laws, whether granted to him or to the office of cultural affairs or to any division of the office, except where authority conferred upon any division is explicitly exempted from the state cultural affairs officer's authority by statute.

C. Subject to other provisions of law, the state cultural affairs officer shall appoint with the secretary's consent a "director" for each division established within the office of cultural affairs. These appointed positions are exempt from the provisions of the Personnel Act.

D. The state cultural affairs officer may apply for and receive, with the secretary's approval, in the name of the office any public or private funds, including but not limited to United States government funds, available to the office to carry out its programs, duties or services.

E. Pursuant to the provisions of Section 6-21-6 NMSA 1978, the legislature authorizes the New Mexico finance authority to make loans from the public project revolving fund to the office of cultural affairs to design, remodel, renovate, rehabilitate or improve state museums and monuments administered by the office of cultural affairs on terms and conditions established by the authority. The state cultural affairs officer shall pledge the governmental gross receipts tax revenues distributed to the office pursuant to Section 7-1-6.38 NMSA 1978 in an amount satisfactory to the authority and in an amount at least sufficient to make the loan payments. The legislature shall not repeal or otherwise modify any law that adversely affects or impairs any loan from the New Mexico finance authority secured by a pledge of governmental gross receipts

revenues, unless the loan has been paid in full or provisions have been made for full payment. Any governmental gross receipts tax revenue distributed to the office of cultural affairs remaining after the payment of debt service may be used by the office of cultural affairs for museum capital improvement projects.

F. The state cultural affairs officer may make and adopt such reasonable and procedural rules and regulations as may be necessary to carry out the duties of the office and its divisions. No rule or regulation promulgated by the director of any division in carrying out the functions and duties of the division shall be effective until approved by the state cultural affairs officer unless otherwise provided by statute. Unless otherwise provided by statute, no regulation affecting any person or agency outside the office shall be adopted, amended or repealed without a public hearing on the proposed action before the state cultural affairs officer or a hearing officer designated by him. The public hearing shall be held in Santa Fe unless otherwise permitted by statute. Notice of the subject matter of the regulation, the action proposed to be taken, the time and place of the hearing, the manner in which interested persons may present their views and the method by which copies of the proposed regulation, proposed amendment or repeal of an existing regulation may be obtained shall be published once at least thirty days prior to the hearing date in a newspaper of general circulation and mailed at least thirty days prior to the hearing date to all persons who have made a written request for advance notice of hearing. All rules and regulations shall be filed in accordance with the State Rules Act."

Section 3. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2003 if by that date the New Mexico finance authority, as holder of all outstanding bonds payable from governmental gross receipts tax revenue issued by

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the state parks division pursuant to the State Park and Recreation Bond Act, has consented in writing to the reduction of the distribution of governmental gross receipts tax revenues to the energy, minerals and natural resources department for state park and recreation capital projects as set forth in Section 7-1-6.38 NMSA 1978.

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