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SENATE BILL 276

46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003

INTRODUCED BY

Carlos R. Cisneros

FOR THE REVENUE STABILIZATION AND TAX POLICY COMMITTEE

AN ACT

RELATING TO COUNTIES; AMENDING THE SMALL COUNTIES ASSISTANCE
ACT.

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

Section 1. Section 4-61-1 NMSA 1978 (being Laws 1982,
Chapter 44, Section 1) is amended to read:

"4-61-1. SHORT TITLE. -- ~~[Sections 1 through 3 of this act]~~
Chapter 4, Article 61 NMSA 1978 may be cited as the "Small
Counties Assistance Act". "

Section 2. Section 4-61-2 NMSA 1978 (being Laws 1982,
Chapter 44, Section 2, as amended) is amended to read:

"4-61-2. DEFINITIONS. -- As used in the Small Counties
Assistance Act:

A. "ceiling valuation" means:

(1) for the 2002 property tax year, one

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1 billion four hundred million dollars (\$1,400,000,000); and
2 (2) for each subsequent property tax year, an
3 amount equal to the product obtained by multiplying one billion
4 four hundred million dollars (\$1,400,000,000) by a fraction,
5 the numerator of which is the total valuation for the state for
6 that property tax year and the denominator of which is the
7 total valuation for the state for the 2002 property tax year;

8 B. "demographer" means the bureau of business and
9 economic research at the university of New Mexico;

10 ~~[A.]~~ C. "population" means the official population
11 shown by the most recent federal decennial census or, if there
12 is a change in boundaries after the date of the census,
13 "population" for each affected unit shall be the most current
14 estimated population for that unit provided in writing by the
15 ~~[bureau of business and economic research at the university of~~
16 ~~New Mexico]~~ demographer; provided that after five years from
17 the first day of the calendar year of the most recent federal
18 decennial census, that census shall not be used, and
19 "population" for the period from that date until the date when
20 the next following official final decennial census population
21 data are available shall be the most current estimated
22 population provided in writing by the [bureau of business and
23 ~~economic research at the university of New Mexico; and]~~
24 demographer;

25 ~~[B.]~~ D. "qualifying county" means a class B, class

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1 C or first class county that has:

2 (1) for the property tax year in which any
3 distribution under the Small Counties Assistance Act is made to
4 the county, imposed a property tax rate for general county
5 purposes pursuant to Paragraph (1) of Subsection B of Section
6 7-37-7 NMSA 1978 as limited by Section 7-37-7.1 NMSA 1978 of at
7 least eight dollars eighty-five cents (\$8.85) per one thousand
8 dollars (\$1,000) of net taxable value;

9 (2) by July 1 of the property tax year in
10 which any distribution under the Small Counties Assistance Act
11 is made to the county, received a written certification from
12 the director of the property tax division of the taxation and
13 revenue department that the county assessor of that county has
14 implemented an acceptable program of maintaining current and
15 correct property values for property taxation purposes as
16 required by Section 7-36-16 NMSA 1978 or has submitted to the
17 director an acceptable plan for the implementation of such a
18 program; [and]

19 (3) on July 1 of the year in which any
20 distribution under the Small Counties Assistance Act is made to
21 the county, a population of not more than [~~forty-five thousand~~
22 ~~five hundred~~] forty-eight thousand; and

23 (4) a total valuation for the property tax year
24 preceding the year in which a distribution pursuant to the
25 Small Counties Assistance Act for that county is to be made

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1 that is no greater than the ceiling valuation for that property
2 tax year; and

3 E. "total valuation" means the sum for a
4 jurisdiction for a property tax year of the net taxable value
5 determined pursuant to the Property Tax Code, the assessed
6 value determined pursuant to the Oil and Gas Ad Valorem
7 Production Tax Act, the assessed value determined pursuant to
8 the Oil and Gas Production Equipment Ad Valorem Tax Act and the
9 taxable value determined pursuant to the Copper Production Ad
10 Valorem Tax Act. "

11 Section 3. Section 4-61-3 NMSA 1978 (being Laws 1982,
12 Chapter 44, Section 3, as amended) is amended to read:

13 "4-61-3. SMALL COUNTIES ASSISTANCE FUND-- DISTRIBUTION. --

14 A. The "small counties assistance fund" is created
15 within the state treasury.

16 ~~[B. On July 1, 1982 and on July 1 of each year~~
17 ~~thereafter, the local government division of the department of~~
18 ~~finance and administration shall certify to the state treasurer~~
19 ~~the population of the state and the population of each county~~
20 ~~in the state.~~

21 ~~C. On September 1, 1982 and on September 1 of each~~
22 ~~year thereafter, the local government division of the~~
23 ~~department of finance and administration shall certify to the~~
24 ~~state treasurer the revenue amounts received by each qualifying~~
25 ~~county in the fiscal year ended on the preceding June 30 from~~

. 143744. 1

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1 ~~property taxes for general county purposes imposed under the~~
2 ~~Property Tax Code and taxes imposed under the Oil and Gas Ad~~
3 ~~Valorem Production Tax Act, the Oil and Gas Production~~
4 ~~Equipment Ad Valorem Tax Act and the Copper Production Ad~~
5 ~~Valorem Tax Act for general county purposes.~~

6 D. ~~On or before September 15, 1982 and on or before~~
7 ~~September 15 of each year thereafter, the state treasurer shall~~
8 ~~distribute to each qualifying county from the small counties~~
9 ~~assistance fund an amount certified to him by the director of~~
10 ~~the local government division of the department of finance and~~
11 ~~administration. The distribution to a qualifying county shall~~
12 ~~be an amount equal to the amount by which the product of~~
13 ~~multiplying a county's population by twenty-five dollars~~
14 ~~(\$25.00) exceeds thirty percent of the total of the revenue~~
15 ~~amounts certified for that county under Subsection C of this~~
16 ~~section, subject to the following:~~

17 (1) ~~if the calculated distribution for a class~~
18 ~~C or first class county exceeds two hundred thousand dollars~~
19 ~~(\$200,000), it shall be reduced to two hundred thousand dollars~~
20 ~~(\$200,000);~~

21 (2) ~~if the calculated distribution for a class~~
22 ~~B county exceeds one hundred fifty thousand dollars (\$150,000),~~
23 ~~it shall be reduced to one hundred fifty thousand dollars~~
24 ~~(\$150,000);~~

25 (3) ~~if the calculated distribution for a first~~

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1 ~~class county is:~~

2 ~~(a) zero or less than zero or that~~
3 ~~county has a population of not more than twelve thousand five~~
4 ~~hundred, it shall be two hundred thousand dollars (\$200,000);~~
5 ~~or~~

6 ~~(b) greater than zero but less than two~~
7 ~~hundred thousand dollars (\$200,000), it shall be increased to~~
8 ~~two hundred thousand dollars (\$200,000);~~

9 ~~(4) if the calculated distribution for a class~~
10 ~~C county is greater than zero but less than two hundred~~
11 ~~thousand dollars (\$200,000) or that county has a population of~~
12 ~~not more than twelve thousand five hundred, it shall be~~
13 ~~increased to two hundred thousand dollars (\$200,000); and~~

14 ~~(5) if the calculated distribution for a class~~
15 ~~B county is greater than zero but less than one hundred~~
16 ~~thousand dollars (\$100,000) or that county has a population of~~
17 ~~not more than twelve thousand five hundred, it shall be~~
18 ~~increased to one hundred thousand dollars (\$100,000).]~~

19 B. On or before September 1, 2003 and on or before
20 September 1 of each subsequent year, the demographer shall
21 certify in writing to the department of finance and
22 administration the population of the state and of each county
23 as of June 30 of the year.

24 C. On or before September 15, 2003 and on or before
25 September 15 of each subsequent year, the secretary of finance

1 and administration shall certify to the state treasurer with
2 respect to each qualifying county:

3 (1) its population as certified by the
4 demographer;

5 (2) its total valuation for the preceding
6 property tax year; and

7 (3) the distribution amount calculated for it.

8 D. The distribution amount for each qualifying
9 county shall be determined for 2003 and each subsequent year in
10 accordance with the following table; provided that the bracket
11 amounts in the first two columns of the table shall be adjusted
12 annually after 2003 by the same fraction used to adjust the
13 ceiling valuation pursuant to the provisions of Paragraph (2)
14 of Subsection A of Section 4-61-2 NMSA 1978.

15 If the county's total valuation for
16 the preceding property tax year is

<u>At least</u>	<u>But less than</u>	<u>The distribution</u>
		<u>amount is</u>
<u>\$0</u>	<u>\$100,000,000</u>	<u>\$300,000</u>
<u>\$100,000,000</u>	<u>\$200,000,000</u>	<u>\$250,000</u>
<u>\$200,000,000</u>	<u>\$300,000,000</u>	<u>\$200,000</u>
<u>\$300,000,000</u>	<u>\$400,000,000</u>	<u>\$150,000</u>
<u>\$400,000,000</u>	<u>\$500,000,000</u>	<u>\$100,000</u>
<u>\$500,000,000</u>	<u>\$1,400,000,000</u>	<u>\$50,000.</u>

25 E. If the balance in the small counties assistance

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1 fund as of the preceding August 31 is less than the sum of the
2 distributions to be made to qualifying counties, [~~the director~~
3 ~~of the local government division of~~] the department of finance
4 and administration shall reduce each qualifying county's
5 calculated distribution by a percentage computed by dividing
6 the amount by which the fund is insufficient by the sum of all
7 the calculated distributions and [he] shall certify the reduced
8 amounts as the qualifying counties' distributions.

9 F. Any interest accruing from the temporary
10 investment of the small counties assistance fund [~~prior to~~
11 ~~September 15~~] shall be credited to the general fund.

12 [~~G. Immediately after distribution to qualifying~~
13 ~~counties from the small counties assistance fund, but no later~~
14 ~~than September 20 of each year, the unexpended or unencumbered~~
15 ~~balance in the fund shall revert to the general fund.~~]

16 G. On or before September 30, 2003 and on or before
17 September 30 of each subsequent year, the state treasurer shall
18 distribute to each county for whom a distribution has been
19 certified for that year the amount certified for that county
20 for that year. If the balance in the fund as of the preceding
21 August 31 exceeds the amount to be distributed, the difference
22 shall revert to the general fund.

23 H. If any date specified in Subsection B, C or G of
24 this section falls on a Saturday or Sunday, any action required
25 to be performed as provided in those subsections is timely if

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performed on the next day that is not a Saturday or Sunday."