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AN ACT

RELATING TO LOCAL GOVERNMENTS; AMENDING THE CIVIC AND
CONVENTION CENTER FUNDING ACT TO INCREASE THE MAXIMUM RATE OF
A CONVENTION CENTER FEE, TO ALLOW RATE DECREASES UNDER
CERTAIN CIRCUMSTANCES AND TO BROADEN THE PURPOSES FOR WHICH
FEE REVENUES MAY BE EXPENDED; DECLARING AN EMERGENCY.

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

Section 1. Section 5-14-4 NMSA 1978 (being Laws 2003,
Chapter 374, Section 4) is amended to read:

"5-14-4. IMPOSITION OF CONVENTION CENTER FEE--USE OF
PROCEEDS.--

A. A local governmental entity that has met the
requirements of Section 5-14-3 NMSA 1978 may impose by
ordinance a fee on the use of a room at a lodging facility
within the local governmental entity; provided that a fee
imposed by a county shall only apply to lodging facilities
located within twenty miles of the corporate limits of the
qualified municipality. The fee may be referred to as the
"convention center fee". The amount of the convention center
fee shall not exceed two percent of the gross room revenue
for each day the room is occupied by a vendee. The
convention center fee may be imposed in increments and,
pursuant to Subsection D of this section, may be decreased in
increments.

1 B. The convention center fee shall be imposed only
2 for the period necessary for payment of principal and
3 interest on revenue bonds issued to accomplish the purpose
4 for which the revenue is dedicated, but the period shall not
5 exceed thirty years from the date of the ordinance imposing
6 the fee.

7 C. A local governmental entity shall dedicate the
8 revenue from the convention center fee at the time that the
9 ordinance imposing the fee is enacted and limit the use of
10 the revenue to the following:

11 (1) the design, construction, equipping,
12 furnishing, landscaping and other costs associated with the
13 development of a civic and convention center and adjoining
14 parking garage located within the qualified municipality;

15 (2) payments of principal, interest or prior
16 redemption premiums due in connection with and any other
17 charges pertaining to revenue bonds authorized by the Civic
18 and Convention Center Funding Act, including payments into
19 any sinking fund or reserve fund required by the revenue bond
20 ordinance;

21 (3) costs of collecting and otherwise
22 administering the convention center fee; provided that
23 administration costs shall not be paid if there are current
24 payments due pursuant to Paragraph (2) of this subsection and
25 that no more than ten percent of the revenue collected in any

1 fiscal year shall be used to pay administration costs;

2 (4) operation costs of the civic and
3 convention center and adjoining parking garage located within
4 the qualified municipality; provided that no such costs shall
5 be paid if there are current payments due pursuant to
6 Paragraph (2) of this subsection; and

7 (5) payments into a capital reserve fund
8 established for the future payment for capital maintenance
9 and improvements and equipment replacement costs of the civic
10 and convention center and adjoining parking garage located
11 within the qualified municipality; provided that:

12 (a) no payments shall be made pursuant
13 to this paragraph if there are current payments due pursuant
14 to Paragraph (2) of this subsection; and

15 (b) at least once every five years, the
16 local governmental entity shall compare the amount of money
17 in the fund with the expected future expenditures from the
18 fund and decide if the convention center fee can be reduced
19 pursuant to Subsection D of this section.

20 D. A local governmental entity may decrease the
21 rate of a convention center fee if:

22 (1) all required payments have been made
23 pursuant to Subsection C of this section and the required
24 levels of and estimated payments from any reserve fund,
25 sinking fund or capital reserve fund can be sustained at a

1 decreased rate;

2 (2) the decreased fee will not otherwise
3 directly or indirectly impair outstanding revenue bonds
4 issued under Section 5-14-13 NMSA 1978; and

5 (3) the local government division of the
6 department of finance and administration finds that the
7 requirements of Paragraphs (1) and (2) of this subsection
8 have been satisfied and otherwise approves the fee decrease."

9 Section 2. Section 5-14-13 NMSA 1978 (being Laws 2003,
10 Chapter 374, Section 13) is amended to read:

11 "5-14-13. REVENUE BONDS.--

12 A. Revenue bonds may be issued at any time by a
13 qualified municipality that has imposed a convention center
14 fee to defray wholly or in part the costs authorized in
15 Paragraph (1) of Subsection C of Section 5-14-4 NMSA 1978.
16 The revenue bonds may be payable from and payment may be
17 secured by a pledge of and lien on the revenue derived from:

18 (1) the proceeds of the convention center
19 fee of the qualified municipality and the proceeds of the
20 convention center fee of a county that has entered into a
21 joint powers agreement with the qualified municipality to
22 impose a convention center fee, the proceeds of which shall
23 be dedicated to the payment of revenue bonds for a civic and
24 convention center in the qualified municipality;

25 (2) a civic and convention center to which

1 the bonds pertain, after provision is made for the payment of
2 the operation and maintenance expenses of the civic and
3 convention center;

4 (3) that portion of the proceeds of the
5 occupancy tax of the qualified municipality available for
6 payment of revenue bonds pursuant to Paragraph (1) of
7 Subsection B of Section 3-38-23 NMSA 1978;

8 (4) any other legal available revenues of
9 the qualified municipality; or

10 (5) a combination of revenues from the
11 sources designated in Paragraphs (1) through (4) of this
12 subsection.

13 B. The bonds shall bear interest at a rate or
14 rates as authorized in the Public Securities Act, and the
15 first interest payment may be for any period authorized in
16 the Public Securities Act.

17 C. Except as otherwise provided in the Civic and
18 Convention Center Funding Act, revenue bonds authorized in
19 that act shall be issued in accordance with the provisions of
20 Sections 3-31-2 through 3-31-6 NMSA 1978."

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