SENATE BILL 398

48TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2008

INTRODUCED BY

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AN ACT

RELATING TO FINANCE; AUTHORIZING THE ISSUANCE OF BONDS SECURED

BY A STATE GROSS RECEIPTS TAX INCREMENT FOR THE SUNCAL

TAX INCREMENT DEVELOPMENT PROJECT; PROHIBITING CERTAIN FUTURE

CAPITAL PROJECTS.

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

Section 1. AUTHORIZATION OF ISSUANCE OF BONDS.--Pursuant

to the provisions of Section 5-15-21 NMSA 1978, the legislature

authorizes the issuance of bonds not to exceed six hundred

twenty-nine million dollars ($629,000,000) in net proceeds as

adjusted for inflation, secured by a gross receipts tax

increment attributed to the imposition of the state gross

receipts tax for the SunCal tax increment development project,

subject to:

A. the determination that has been made by the New

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1   Mexico finance authority that the proceeds of the bonds issued

2   pursuant to this authorization will be used for the SunCal tax

3   increment development project in accordance with the

4   development plan;

5   B.   the review by the New Mexico finance authority

6   of the master indenture prior to issuance of any bonds; and

7   C.   the review by the New Mexico finance authority

8   of any proposed amendments to the master indenture prior to the

9   issuance of any bonds subsequent to such amendments.

10   Section 2.   DURATION OF AUTHORIZATION.--The duration of

11   the authorization for issuance of bonds in this act is

12   unlimited, unless and until this act is repealed or modified

13   by the legislature.

14   Section 3.   CERTAIN CAPITAL PROJECTS PROHIBITED.--

15   A.   The legislature shall not approve or authorize

16   any capital outlay projects within a SunCal tax

17   increment development district during the period that any

18   bonds issued pursuant to Section 1 of this act are outstanding

19   for that specific district, except for those buildings or

20   facilities that are owned by the state or one of its agencies,

21   institutions or political subdivisions and that are:

22   (1)   public school buildings or facilities;

23   (2)   higher education buildings or

24   facilities;

25   (3)   cultural buildings or facilities;

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1   (4)   buildings or facilities used for public

2   safety; or

3   (5)   buildings used for other public

4   purposes.

5   B.   Nothing in this section prohibits the

6   legislature from authorizing expenditures, pursuant to law,

7   for economic development projects within a specific SunCal tax

8   increment development district for which any tax

9   increment development bonds are outstanding.

10   Section 4.   EFFECTIVE DATE.--The effective date of the

11 provisions of this act is July 1, 2008.

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