

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

HOUSE BILL 112

**49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010**

INTRODUCED BY

Antonio Lujan

AN ACT

RELATING TO PUBLIC FINANCE; AUTHORIZING THE ISSUANCE OF BONDS  
SECURED BY A STATE GROSS RECEIPTS TAX INCREMENT FOR THE CITY OF  
LAS CRUCES MAIN STREET DOWNTOWN TAX INCREMENT DEVELOPMENT  
PROJECT; SUBJECTING THE AUTHORIZATION TO CERTAIN CONDITIONS;  
DECLARING AN EMERGENCY.

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

Section 1. AUTHORIZATION OF ISSUANCE OF BONDS.--The  
legislature authorizes the issuance of bonds not to exceed  
eight million dollars (\$8,000,000) in net proceeds, secured by  
tax increments authorized pursuant to the Tax Increment for  
Development Act to be pledged to pay the principal of and  
interest on the bonds, including a gross receipts tax increment  
attributed to the imposition of the state gross receipts tax  
for the city of Las Cruces main street downtown tax increment

underscoring material = new  
~~[bracketed material] = delete~~

underscoring material = new  
[bracketed material] = delete

1 development project, subject to:

2 A. the review by the New Mexico finance authority  
3 prior to issuance of any bonds of the master indenture  
4 applicable to bonds issued for the city of Las Cruces main  
5 street tax increment development project;

6 B. the review by the New Mexico finance authority  
7 of any amendments to the master indenture prior to the issuance  
8 of the bonds after any amendments; and

9 C. the determination by the New Mexico finance  
10 authority that the master indenture and any amendments to the  
11 master indenture contain covenants and other provisions that  
12 ensure that the proceeds of the bonds will be used as described  
13 in the development plan for the city of Las Cruces main street  
14 tax increment development project.

15 Section 2. ADDITIONAL REQUIREMENTS.--The New Mexico  
16 finance authority may require additional covenants and  
17 provisions that it determines are reasonably necessary or  
18 advisable to ensure that the principal, interest and other  
19 payments due with respect to the bonds authorized pursuant to  
20 Section 1 of this act are paid as soon as possible after tax  
21 increment revenues pledged to pay the bonds are available.

22 Section 3. DURATION OF AUTHORIZATION.--The duration of  
23 the authorization for issuance of bonds in this act is twenty-  
24 five years except as this act may be amended or repealed by the  
25 legislature.

180567.1

underscored material = new  
[bracketed material] = delete

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

Section 4. CERTAIN CAPITAL PROJECTS PROHIBITED.--

A. The legislature shall not approve or authorize capital outlay projects within a city of Las Cruces main street downtown tax increment development district during the period that bonds issued pursuant to Section 1 of this act are outstanding for that specific district, except for those buildings or facilities that are owned by the state or one of its agencies, institutions or political subdivisions and that are:

- (1) public school buildings or facilities;
- (2) higher education buildings or facilities;
- (3) cultural buildings or facilities;
- (4) buildings or facilities, exclusive of roads, used for public safety; or
- (5) buildings used for other public purposes.

B. Nothing in this section prohibits the legislature from authorizing expenditures, pursuant to law, for economic development projects within a specific city of Las Cruces main street downtown tax increment development district for which any tax increment development bonds are outstanding.

Section 5. EMERGENCY.--It is necessary for the public peace, health and safety that this act take effect immediately.