AN ACT

RELATING TO TAXATION; LIMITING THE USE OF CERTAIN PROCEEDS OF THE COUNTY REGIONAL SPACEPORT GROSS RECEIPTS TAX.

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

SECTION 1. Section 5-16-13 NMSA 1978 (being Laws 2006, Chapter 15, Section 13) is amended to read:

"5-16-13. USE OF REVENUE BY GOVERNMENTAL UNITS.--Each governmental unit that is a county or municipality and is a member of a combination shall have enacted a municipal regional spaceport gross receipts tax or a county regional spaceport gross receipts tax prior to December 31, 2008. At least seventy-five percent of the municipal regional spaceport gross receipts tax or county regional spaceport gross receipts tax revenues received by each governmental unit must be used by the district for the financing, planning, designing, engineering

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1   and construction of a regional spaceport; provided that

2   proceeds of the county regional spaceport gross receipts tax

3   that are received on or after July 1, 2014, but that were

4   dedicated to the district prior to July 1, 2014 pursuant to

5   Subsection B of Section 7-20E-25 NMSA 1978, shall only be used

6   to pay principal and interest on bonds issued pursuant to the

7   Spaceport Development Act to which the proceeds have been

8   pledged, for acceleration of the payment of principal and

9   interest on those bonds or to retire or discharge that bond

10   debt prior to the original term of those bonds. No more than

11   twenty-five percent of the municipal regional spaceport gross

12   receipts tax or county regional spaceport gross receipts tax

13   revenues may be used by the governmental unit enacting the tax

14   for spaceport-related projects as approved by resolution of the

15   governmental unit."

16   **SECTION 2.** Section 7-20E-25 NMSA 1978 (being Laws 2006,

17   Chapter 15, Section 15) is amended to read:

18   "7-20E-25. COUNTY REGIONAL SPACEPORT GROSS RECEIPTS TAX--

19   AUTHORITY TO IMPOSE--RATE--ELECTION REQUIRED.--

20   A. A majority of the members of the governing body

21   of a county that desires to become a member of a regional

22   spaceport district pursuant to the Regional Spaceport District

23   Act shall impose by ordinance an excise tax at a rate not to

24   exceed one-half percent of the gross receipts of a person

25   engaging in business in the district area of the county for the

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1   privilege of engaging in business. A tax imposed pursuant to

2   this section may be imposed by one or more ordinances, each

3   imposing any number of tax rate increments, but an increment

4   shall not be less than one-sixteenth percent of the gross

5   receipts of a person engaging in business in the district area

6   of the county, and the aggregate of all rates shall not exceed

7   one-half percent of the gross receipts of a person engaging in

8   business in the district area of the county. The tax may be

9   referred to as the "county regional spaceport gross receipts

10   tax".

11   B.   A governing body, at the time of enacting an

12   ordinance imposing the tax authorized in Subsection A of this

13   section, shall dedicate a minimum of seventy-five percent of

14   the proceeds of the revenue to the regional spaceport district

15   for the financing, planning, designing and engineering and

16   construction of a spaceport or for projects or services of the

17   district pursuant to the Regional Spaceport District Act and

18   may dedicate no more than twenty-five percent of the revenue

19   for spaceport-related projects as approved by resolution of the

20   governing body of the county; provided that proceeds of the

21   revenues that are received on or after July 1, 2014, but that

22   were dedicated to the district prior to July 1, 2014, shall

23   only be used to pay principal and interest on bonds issued

24   pursuant to the Spaceport Development Act to which the proceeds

25   have been pledged, for acceleration of the payment of principal

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1 and interest on those bonds or to retire or discharge that bond

2 debt prior to the original term of those bonds.

3   C. An ordinance imposing a county regional

4 spaceport gross receipts tax shall not go into effect until

5 after an election is held and a majority of the voters of the

6 district area of the county voting in the election votes in

7 favor of imposing the tax. The governing body shall adopt an

8 ordinance calling for an election within seventy-five days of

9 the date the resolution is adopted on the question of imposing

10 the tax. The question shall be submitted to the voters of the

11 district area of the county as a separate question at a general

12 election or at a special election called for that purpose by

13 the governing body. A special election shall be called,

14 conducted and canvassed substantially in the same manner as

15 provided by law for general elections. If a majority of the

16 voters voting on the question approves the ordinance imposing

17 the county regional spaceport gross receipts tax, the ordinance

18 shall become effective in accordance with the provisions of the

19 County Local Option Gross Receipts Taxes Act. If the question

20 of imposing the county regional spaceport gross receipts tax

21 fails, the governing body shall not again propose the

22 imposition of an increment of the tax for a period of one year

23 from the date of the election.

24   D. The governing body of a county imposing a county

25 regional spaceport gross receipts tax shall transfer a minimum

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of seventy-five percent of all proceeds from the tax to the regional spaceport district of which it is a member for the purposes in accordance with the provisions of the Regional Spaceport District Act. The governing body of a county imposing a county regional spaceport gross receipts tax may retain no more than twenty-five percent of the county regional spaceport gross receipts tax for spaceport-related projects as approved by the resolution of the governing body of the county.

E. As used in this section, "district area of the county" means that portion of a county that is outside the boundaries of a municipality and that is within the boundaries of a regional spaceport district of which the county is a member; provided that if no municipality within the county has imposed a municipal regional spaceport gross receipts tax, "district area of the county" may mean the area within the boundaries of the county that is within the boundaries of a regional spaceport district of which the county is a member."

SECTION 3. Section 58-31-5 NMSA 1978 (being Laws 2005, Chapter 128, Section 5, as amended) is amended to read:

"58-31-5. AUTHORITY POWERS AND DUTIES.--

A. The authority shall:

(1) hire an executive director, who shall employ the necessary professional, technical and clerical staff to enable the authority to function efficiently and shall direct the affairs and business of the authority, subject to

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1   the direction of the authority;

2   (2)   be located within fifty miles of a

3   southwest regional spaceport;

4   (3)   advise the governor, the governor's staff

5   and the New Mexico finance authority oversight committee on

6   methods, proposals, programs and initiatives involving a

7   southwest regional spaceport that may further stimulate space-

8   related business and employment opportunities in New Mexico;

9   (4)   initiate, develop, acquire, own,

10   construct, maintain and lease space-related projects;

11   (5)   make and execute all contracts and other

12   instruments necessary or convenient to the exercise of its

13   powers and duties;

14   (6)   create programs to expand high-technology

15   economic opportunities within New Mexico;

16   (7)   create avenues of communication among

17   federal government agencies, the space industry, users of space

18   launch services and academia concerning space business;

19   (8)   promote legislation that will further the

20   goals of the authority and development of space business;

21   (9)   oversee and fund production of promotional

22   literature related to the authority's goals;

23   (10)   identify science and technology trends

24   that are significant to space enterprise and the state and act

25   as a clearinghouse for space enterprise issues and information;

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1   (11)   coordinate and expedite the involvement

2   of the state executive branch's space-related development

3   efforts; and

4   (12)   perform environmental, transportation,

5   communication, land use and other technical studies necessary

6   or advisable for projects and programs or to secure licensing

7   by appropriate United States agencies.

8   B.   The authority may:

9   (1)   advise and cooperate with municipalities,

10   counties, state agencies and organizations, appropriate federal

11   agencies and organizations and other interested persons and

12   groups;

13   (2)   solicit and accept federal, state, local

14   and private grants of funds or property and financial or other

15   aid for the purpose of carrying out the provisions of the

16   Spaceport Development Act;

17   (3)   adopt rules governing the manner in which

18   its business is transacted and the manner in which the powers

19   of the authority are exercised and its duties performed;

20   (4)   operate spaceport facilities, including

21   acquisition of real property necessary for spaceport facilities

22   and the filing of necessary documents with appropriate

23   agencies;

24   (5)   construct, purchase, accept donations of

25   or lease projects located within the state;

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1   (6)   sell, lease or otherwise dispose of a

2 project upon terms and conditions acceptable to the authority

3 and in the best interests of the state;

4   (7)   issue revenue bonds and borrow money for

5 the purpose of defraying the cost of acquiring a project by

6 purchase or construction and of securing the payment of the

7 bonds or repayment of a loan;

8   (8)   enter into contracts with regional

9 spaceport districts and issue bonds on behalf of regional

10 spaceport districts for the purpose of financing the purchase,

11 construction, renovation, equipping or furnishing of a regional

12 spaceport or a spaceport-related project;

13   (9)   refinance a project;

14   (10)   contract with any competent private or

15 public organization or individual to assist in the fulfillment

16 of its duties;

17   (11)   fix, alter, charge and collect tolls,

18 fees or rentals and impose any other charges for the use of or

19 for services rendered by any authority facility, program or

20 service; and

21   (12)   contract with regional spaceport

22 districts to receive municipal spaceport gross receipts tax and

23 county regional spaceport gross receipts tax revenues.

24   C.   The authority shall not:

25   (1)   incur debt as a general obligation of the

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state or pledge the full faith and credit of the state to repay

debt; [or]

(2) expend funds or incur debt for the

improvement, maintenance, repair or addition to property unless

it is owned by the authority, the state or a political

subdivision of the state; or

(3) expend county regional spaceport gross

receipts tax revenue received on or after July 1, 2014 pursuant

to Paragraph (12) of Subsection B of this section for a purpose

other than to pay principal and interest on bonds issued

pursuant to the Spaceport Development Act to which the revenue

has been pledged, for acceleration of the payment of principal

and interest on those bonds or to retire or discharge that bond

debt prior to the original term of those bonds."

SECTION 4. EFFECTIVE DATE.--The effective date of the

provisions of this act is July 1, 2014.

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