

1 SENATE BILL 356

2 **53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017**

3 INTRODUCED BY

4 Nancy Rodriguez

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10 AN ACT

11 RELATING TO TAXATION; REQUIRING THAT THE TREASURER OF THE  
12 COUNTY IN WHICH A PUBLIC IMPROVEMENT DISTRICT IS FORMED BE  
13 NOTIFIED OF THAT FORMATION.

14  
15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

16 SECTION 1. Section 5-11-8 NMSA 1978 (being Laws 2001,  
17 Chapter 305, Section 8) is amended to read:

18 "5-11-8. FORMATION--DEBT LIMITATION.--

19 A. If the formation of the district is approved by  
20 at least a three-fourths' majority of the votes cast at the  
21 election, the governing body shall cause a copy of the  
22 resolution ordering formation of the district to be delivered  
23 to the county assessor, the county treasurer and the county in  
24 which the district is located and to the taxation and revenue  
25 department and the local government division of the department

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1 of finance and administration. A notice of the formation  
2 showing the number and date of the resolution and giving a  
3 description of the land included in the district shall be  
4 recorded with the county clerk.

5 B. Except as otherwise provided in this section, a  
6 district shall be a political subdivision of the state,  
7 separate and apart from the municipality or county. The amount  
8 of indebtedness evidenced by general obligation bonds issued  
9 pursuant to Section [~~19 of the Public Improvement District Act~~]  
10 5-11-19 NMSA 1978, special levy bonds issued pursuant to  
11 Section [~~20 of that act~~] 5-11-20 NMSA 1978 and revenue bonds  
12 issued pursuant to Section [~~21 of that act~~] 5-11-21 NMSA 1978  
13 shall not exceed the estimated cost of the public  
14 infrastructure improvements plus all costs connected with the  
15 public infrastructure purposes and issuance and sale of bonds,  
16 including, without limitation, formation costs, credit  
17 enhancement and liquidity support fees and costs. The total  
18 aggregate outstanding amount of bonds and any other  
19 indebtedness for which the full faith and credit of the  
20 district are pledged shall not exceed sixty percent of the  
21 market value of the real property and improvements in the  
22 district after the public infrastructure improvements of the  
23 district are completed plus the value of the public  
24 infrastructure owned or to be acquired by the district with the  
25 proceeds of the bonds and shall not affect the general

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1 obligation bonding capacity of the municipality or county in  
2 which the district is located.

3 C. Bonds issued by a district shall not be a  
4 general obligation of the state, the county or the municipality  
5 in which the district is located and shall not pledge the full  
6 faith and credit of the state, the county or the municipality  
7 in which the district is located, irrespective of whether the  
8 district board is governed by the governing body of the county  
9 or municipality in which the district is located.

10 D. Following formation of the district, the  
11 district board shall administer in a reasonable manner the  
12 implementation of the general plan for the public  
13 infrastructure improvements of the district."

14 SECTION 2. EFFECTIVE DATE.--The effective date of the  
15 provisions of this act is July 1, 2017.