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HOUSE BILL 197

53RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2018

INTRODUCED BY

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and Greg Nibert

AN ACT

RELATING TO SPECIAL DISTRICTS; CREATING THE REGIONAL AIR CENTER
SPECIAL ECONOMIC DISTRICT ACT; ALLOWING FOR THE FORMATION OF
INDUSTRIAL AIR CENTER SPECIAL ECONOMIC DISTRICTS AND
AUTHORITIES TO GOVERN THE DISTRICTS; PROVIDING POWERS AND
DUTIES.

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

SECTION 1. [NEW MATERIAL] SHORT TITLE.--This act may be
cited as the "Regional Air Center Special Economic District
Act".

SECTION 2. [NEW MATERIAL] PURPOSES.--The purposes of the
Regional Air Center Special Economic District Act are to:

A. allow for the creation of an authority to own,
operate and govern a special economic district consisting of an
industrial air center and other related property;

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1 B. capitalize on the economic potential of
2 infrastructure associated with a former United States air force
3 base for the benefit of surrounding communities and the state;
4 and

5 C. stimulate aviation-related economic activity and
6 investment in the state, including in the areas of avionics,
7 military operations, transportation and emerging high-
8 technology research.

9 **SECTION 3. [NEW MATERIAL] DEFINITIONS.--**As used in the
10 Regional Air Center Special Economic District Act:

11 A. "authority" means the governing body of a
12 district; and

13 B. "district" means an industrial air center
14 special economic district governed by an authority.

15 **SECTION 4. [NEW MATERIAL] CREATION OF A DISTRICT.--**A
16 municipality and the county in which the municipality is
17 located may agree to form an industrial air center special
18 economic district:

19 A. whose initial boundaries lie within the
20 jurisdiction of the municipality, the county or both;

21 B. that includes an industrial air center composed
22 of infrastructure associated with a former United States air
23 force base; and

24 C. that consists of land and real property formerly
25 associated with the former United States air force base and

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1 other land and real property made part of the district.

2 SECTION 5. [NEW MATERIAL] CREATION OF AN AUTHORITY--
3 MEMBERS--TERMS--QUALIFICATIONS.--

4 A. The municipality and county that form a district
5 shall create an authority to govern the district that consists
6 of:

7 (1) four members, of whom no more than one is
8 an elected official, appointed by the municipality;

9 (2) one member, who is not an elected
10 official, appointed by the county; and

11 (3) up to four other members added in
12 accordance with Subsection D of this section.

13 B. The term of:

14 (1) two of the members initially appointed by
15 the municipality is two years, and those members subsequently
16 appointed by the municipality is four years;

17 (2) the member initially appointed by the
18 county is one year, and those members subsequently appointed by
19 the county is four years; and

20 (3) all other members is four years.

21 C. A member shall not serve more than two
22 consecutive four-year terms on the authority. A member who has
23 served two consecutive four-year terms on the authority may
24 serve another term only if four years following the second term
25 have elapsed.

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1 D. The authority may authorize a county that
2 borders the county that created the district or a municipality
3 or an Indian nation, tribe or pueblo in a county that borders
4 the county that created the district to appoint one or more
5 members to the authority. The authority may reduce its
6 membership, except for those appointed by the municipality or
7 county that originally formed the district, by a vote of two-
8 thirds.

9 E. Except as provided in Paragraph (1) of
10 Subsection A of this section, an elected official shall not
11 serve on the authority. An appointing entity shall appoint a
12 person to the authority only if it determines that the person:

13 (1) has experience in the field of aviation,
14 business, economic development, finance, commercial real estate
15 investment or accounting; or

16 (2) possesses other qualifications that the
17 entity determines are necessary or appropriate for carrying out
18 the duties of the authority.

19 F. An authority member shall abstain from an
20 authority vote if the matter voted on poses a conflict of
21 interest for the member. A member or employee of the authority
22 shall not:

23 (1) acquire a financial interest in a new or
24 existing business venture or business property if the member or
25 employee believes or has reason to believe that the financial

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1 interest will be directly affected by an official act conducted
2 in that membership or employment capacity;

3 (2) use confidential information acquired by
4 virtue of membership on or employment by the authority for the
5 member's or employee's or another person's private gain; or

6 (3) as a person with a financial or other
7 interest in a business that is party to a contract, enter into
8 a contract with the authority without there being public notice
9 of the contract, a competitive bidding process for entry into
10 the contract and full disclosure of that financial or other
11 interest.

12 G. Vote by proxy on the authority is not allowed.
13 A member may request a recorded vote on any resolution or
14 action of the authority.

15 H. The governing body that appoints a member to an
16 authority may remove the member if it determines that the
17 member willfully neglected or refused to perform an official
18 duty of the authority, but shall not remove the member for the
19 member's exercise of independent judgment.

20 SECTION 6. [NEW MATERIAL] AUTHORITY--POWERS--DUTIES.--

21 A. An authority is a body politic and corporate and
22 a political subdivision of the state that may, in accordance
23 with law and to effectuate the purposes of the Regional Air
24 Center Special Economic District Act:

25 (1) have perpetual existence;

- 1 (2) sue and be sued;
- 2 (3) adopt bylaws, policies and procedures;
- 3 (4) employ a director, who may employ staff as
- 4 necessary to administer the authority;
- 5 (5) fix the time and place of meetings and the
- 6 method of providing notice of the meetings;
- 7 (6) make and pass orders and resolutions
- 8 necessary for governing and managing the authority and
- 9 executing the powers of the authority;
- 10 (7) adopt and use a seal;
- 11 (8) create and define the duties of advisory
- 12 committees;
- 13 (9) enter into contracts and agreements;
- 14 (10) borrow money and issue bonds;
- 15 (11) pledge all or a portion of its revenue to
- 16 the payment of its bonds;
- 17 (12) issue refunding revenue bonds to
- 18 refinance, pay or discharge all or part of its outstanding
- 19 revenue bonds;
- 20 (13) impose liens;
- 21 (14) acquire, dispose of or encumber real or
- 22 personal property or interests in real or personal property,
- 23 including leases and easements;
- 24 (15) manage the land and property constituting
- 25 and associated with the district, including by imposing rental

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1 charges and fees for the use of that land and property;

2 (16) exercise the power of eminent domain
3 within the boundaries of the district as provided by law for
4 the condemnation of private property as the last resort for
5 public use with just compensation;

6 (17) sell, transfer or convey real or personal
7 property or interests in real or personal property acquired by
8 the authority;

9 (18) alter the boundaries of the district;

10 (19) construct and maintain airport
11 facilities;

12 (20) establish aviation minimum standards and
13 long-term development plans;

14 (21) apply to a public or private source for a
15 loan, grant, guarantee or other type of financial assistance;

16 (22) exercise the rights and powers necessary
17 or incidental to or implied by the specific powers granted by
18 this section, including the immunity from suit; and

19 (23) by resolution, delegate to a member or
20 agent of the authority any of its powers, except the power to:

21 (a) adopt authority policies or
22 procedures;

23 (b) initiate or continue legal action;

24 (c) establish policies on the use of
25 revenue;

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1 (d) acquire real or personal property or
2 interests in real or personal property;

3 (e) expand the district; or

4 (f) issue bonds.

5 B. An authority shall:

6 (1) govern the district;

7 (2) adopt rules to govern its conduct,
8 including standards and procedures for calling emergency
9 meetings;

10 (3) provide meaningful opportunities for
11 public input on its policymaking;

12 (4) accept title to the real and personal
13 property within the area constituting the district's initial
14 boundaries; and

15 (5) use district property to manage airport
16 operations, create jobs and foster economic development in all
17 areas it deems appropriate and in the public welfare.

18 SECTION 7. [NEW MATERIAL] REVENUE BONDS--EXEMPTION FROM
19 TAXATION.--

20 A. To effectuate the purposes of the Regional Air
21 Center Special Economic District Act, an authority may issue
22 revenue bonds to:

23 (1) encourage the location of commercial,
24 research or industrial or other enterprises to a district; or

25 (2) acquire, purchase, lease, construct or

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1 improve commercial, research or industrial sites or buildings
2 or make other capital improvements, including the construction
3 or maintenance of energy or pollution abatement or control
4 facilities, as necessary.

5 B. An authority may issue special facility revenue
6 bonds backed by a long-term lease of the facility to finance a
7 specific tenant facility.

8 C. Property owned by an authority, income derived
9 from that property and the bonds, certificates and other
10 evidence of indebtedness issued by an authority are exempt from
11 taxation by the state.