

1 HOUSE BILL 479

2 **54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019**

3 INTRODUCED BY

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10 AN ACT

11 RELATING TO TAXATION; DE-EARMARKING CERTAIN MUNICIPAL AND  
12 COUNTY LOCAL OPTION GROSS RECEIPTS TAXES; PROVIDING THAT  
13 CERTAIN MUNICIPAL GROSS RECEIPTS TAXES MAY BE USED FOR ANY  
14 MUNICIPAL PURPOSE; PROVIDING THAT CERTAIN COUNTY GROSS RECEIPTS  
15 TAXES MAY BE USED FOR ANY COUNTY PURPOSE; PROVIDING THAT  
16 CHANGES OR REPEALS OF CERTAIN LOCAL OPTION GROSS RECEIPTS TAXES  
17 SHALL NOT IMPAIR OUTSTANDING REVENUE BONDS; PROVIDING THAT  
18 PREVIOUSLY DEDICATED REVENUE ATTRIBUTABLE TO A LOCAL OPTION  
19 GROSS RECEIPTS TAX BEING AMENDED OR REPEALED BY THIS ACT SHALL  
20 CONTINUE TO BE DEDICATED FOR THE SAME PURPOSES; AMENDING,  
21 REPEALING AND ENACTING SECTIONS OF THE NMSA 1978.  
22

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

24 SECTION 1. Section 3-31-1 NMSA 1978 (being Laws 1973,  
25 Chapter 395, Section 3, as amended) is amended to read:

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1           "3-31-1. REVENUE BONDS--AUTHORITY TO ISSUE--PLEDGE OF  
2 REVENUES--LIMITATION ON TIME OF ISSUANCE.--

3           A. In addition to any other law and constitutional  
4 home rule powers authorizing a municipality to issue revenue  
5 bonds, a municipality may issue revenue bonds pursuant to  
6 Chapter 3, Article 31 NMSA 1978 for the purposes specified in  
7 this section. [~~The term "pledged revenues", as used in Chapter~~  
8 ~~3, Article 31 NMSA 1978, means the revenues, net income or net~~  
9 ~~revenues authorized to be pledged to the payment of particular~~  
10 ~~revenue bonds as specifically provided in Subsections A through~~  
11 ~~J of this section.~~

12           ~~A.]~~ B. Utility revenue bonds may be issued for  
13 acquiring, extending, enlarging, bettering, repairing or  
14 otherwise improving a municipal utility or for any combination  
15 of the foregoing purposes. The municipality may pledge  
16 irrevocably any or all of the net revenues from the operation  
17 of the municipal utility or of any one or more of other such  
18 municipal utilities for payment of the interest on and  
19 principal of the revenue bonds. [~~These bonds are sometimes~~  
20 ~~referred to in Chapter 3, Article 31 NMSA 1978 as "utility~~  
21 ~~revenue bonds" or "utility bonds".~~

22           ~~B.]~~ C. Joint utility revenue bonds may be issued  
23 for acquiring, extending, enlarging, bettering, repairing or  
24 otherwise improving joint water facilities, sewer facilities,  
25 gas facilities or electric facilities or for any combination of

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1 the foregoing purposes. The municipality may pledge  
2 irrevocably any or all of the net revenues from the operation  
3 of these municipal utilities for the payment of the interest on  
4 and principal of the bonds. [~~These bonds are sometimes~~  
5 ~~referred to in Chapter 3, Article 31 NMSA 1978 as "joint~~  
6 ~~utility revenue bonds" or "joint utility bonds".~~

7 ~~G. For the purposes of this subsection, "gross~~  
8 ~~receipts tax revenue bonds" means gross receipts tax revenue~~  
9 ~~bonds or sales tax revenue bonds.]~~

10 D. Gross receipts tax revenue bonds may be issued  
11 for any [~~one or more of the following purposes:~~

12 ~~(1) constructing, purchasing, furnishing,~~  
13 ~~equipping, rehabilitating, making additions to or making~~  
14 ~~improvements to one or more public buildings or purchasing or~~  
15 ~~improving any ground relating thereto, including but not~~  
16 ~~necessarily limited to acquiring and improving parking lots, or~~  
17 ~~any combination of the foregoing;~~

18 ~~(2) acquiring or improving municipal or public~~  
19 ~~parking lots, structures or facilities or any combination of~~  
20 ~~the foregoing;~~

21 ~~(3) purchasing, acquiring or rehabilitating~~  
22 ~~firefighting equipment or any combination of the foregoing;~~

23 ~~(4) acquiring, extending, enlarging,~~  
24 ~~bettering, repairing, otherwise improving or maintaining storm~~  
25 ~~sewers and other drainage improvements, sanitary sewers, sewage~~

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1 ~~treatment plants or water utilities, including but not~~  
2 ~~necessarily limited to the acquisition of rights of way and~~  
3 ~~water and water rights, or any combination of the foregoing;~~

4 ~~(5) reconstructing, resurfacing, maintaining,~~  
5 ~~repairing or otherwise improving existing alleys, streets,~~  
6 ~~roads or bridges or any combination of the foregoing or laying~~  
7 ~~off, opening, constructing or otherwise acquiring new alleys,~~  
8 ~~streets, roads or bridges or any combination of the foregoing;~~  
9 ~~provided that any of the foregoing improvements may include but~~  
10 ~~are not limited to the acquisition of rights of way;~~

11 ~~(6) purchasing, acquiring, constructing,~~  
12 ~~making additions to, enlarging, bettering, extending or~~  
13 ~~equipping airport facilities or any combination of the~~  
14 ~~foregoing, including without limitation the acquisition of~~  
15 ~~land, easements or rights of way therefor;~~

16 ~~(7) purchasing or otherwise acquiring or~~  
17 ~~clearing land or for purchasing, otherwise acquiring and~~  
18 ~~beautifying land for open space;~~

19 ~~(8) acquiring, constructing, purchasing,~~  
20 ~~equipping, furnishing, making additions to, renovating,~~  
21 ~~rehabilitating, beautifying or otherwise improving public~~  
22 ~~parks, public recreational buildings or other public~~  
23 ~~recreational facilities or any combination of the foregoing;~~

24 ~~(9) acquiring, constructing, extending,~~  
25 ~~enlarging, bettering, repairing, otherwise improving or~~

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1 ~~maintaining solid waste disposal equipment, equipment for~~  
2 ~~operation and maintenance of sanitary landfills, sanitary~~  
3 ~~landfills, solid waste facilities or any combination of the~~  
4 ~~foregoing; and~~

5 ~~(10) acquiring, constructing, extending,~~  
6 ~~bettering, repairing or otherwise improving a public transit~~  
7 ~~system or regional transit systems or facilities.~~

8 ~~The] municipal purpose. A municipality may pledge~~  
9 ~~irrevocably any or all of the gross receipts tax revenue~~  
10 ~~received by the municipality pursuant to Section 7-1-6.4 or~~  
11 ~~7-1-6.12 NMSA 1978 to the payment of the interest on and~~  
12 ~~principal of the gross receipts tax revenue bonds [for any of~~  
13 ~~the purposes authorized in this section or for specific~~  
14 ~~purposes] or for any area of municipal government services~~  
15 ~~[including but not limited to those specified in Subsection C~~  
16 ~~of Section 7-19D-9 NMSA 1978, or for public purposes authorized~~  
17 ~~by municipalities having constitutional home rule charters]. A~~  
18 ~~law that imposes or authorizes the imposition of a [municipal~~  
19 ~~gross receipts] tax authorized by the Municipal Local Option~~  
20 ~~Gross Receipts Taxes Act or that affects the [municipal gross~~  
21 ~~receipts] tax, or a law supplemental thereto or otherwise~~  
22 ~~appertaining thereto, shall not be repealed or amended or~~  
23 ~~otherwise directly or indirectly modified in such a manner as~~  
24 ~~to impair adversely any outstanding revenue bonds that may be~~  
25 ~~secured by a pledge of such [municipal gross receipts] tax~~

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1 unless the outstanding revenue bonds have been discharged in  
2 full or provision has been fully made therefor. Revenues in  
3 excess of the annual principal and interest due on gross  
4 receipts tax revenue bonds secured by a pledge of gross  
5 receipts tax revenue may be accumulated in a debt service  
6 reserve account. The governing body of the municipality may  
7 appoint a commercial bank trust department to act as trustee of  
8 the gross receipts tax revenue and to administer the payment of  
9 principal of and interest on the bonds.

10 ~~[D. As used in this section, the term "public~~  
11 ~~building" includes but is not limited to fire stations, police~~  
12 ~~buildings, municipal jails, regional jails or juvenile~~  
13 ~~detention facilities, libraries, museums, auditoriums,~~  
14 ~~convention halls, hospitals, buildings for administrative~~  
15 ~~offices, city halls and garages for housing, repairing and~~  
16 ~~maintaining city vehicles and equipment. As used in Chapter 3,~~  
17 ~~Article 31 NMSA 1978, the term "gross receipts tax revenue~~  
18 ~~bonds" means the bonds authorized in Subsection C of this~~  
19 ~~section, and the term "gross receipts tax revenue" means the~~  
20 ~~amount of money distributed to the municipality as authorized~~  
21 ~~by Section 7-1-6.4 NMSA 1978 or the amount of money transferred~~  
22 ~~to the municipality as authorized by Section 7-1-6.12 NMSA 1978~~  
23 ~~for any municipal gross receipts tax imposed pursuant to the~~  
24 ~~Municipal Local Option Gross Receipts Taxes Act. As used in~~  
25 ~~Chapter 3, Article 31 NMSA 1978, the term "bond" means any~~

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1 ~~obligation of a municipality issued under Chapter 3, Article 31~~  
2 ~~NMSA 1978, whether designated as a bond, note, loan, warrant,~~  
3 ~~debenture, lease-purchase agreement or other instrument~~  
4 ~~evidencing an obligation of a municipality to make payments.]~~

5 E. Gasoline tax revenue bonds may be issued for  
6 laying off, opening, constructing, reconstructing, resurfacing,  
7 maintaining, acquiring rights of way, repairing and otherwise  
8 improving municipal buildings, alleys, streets, public roads  
9 and bridges or any combination of the foregoing purposes. The  
10 municipality may pledge irrevocably any or all of the gasoline  
11 tax revenue received by the municipality to the payment of the  
12 interest on and principal of the gasoline tax revenue bonds.

13 ~~[As used in Chapter 3, Article 31 NMSA 1978, "gasoline tax~~  
14 ~~revenue bonds" means the bonds authorized in this subsection,~~  
15 ~~and "gasoline tax revenue" means all or portions of the amounts~~  
16 ~~of tax revenues distributed to municipalities pursuant to~~  
17 ~~Sections 7-1-6.9 and 7-1-6.27 NMSA 1978, as from time to time~~  
18 ~~amended and supplemented.]~~

19 F. Project revenue bonds may be issued for  
20 acquiring, extending, enlarging, bettering, repairing,  
21 improving, constructing, purchasing, furnishing, equipping and  
22 rehabilitating any revenue-producing project, including, where  
23 applicable, purchasing, otherwise acquiring or improving the  
24 ground therefor, including ~~[but not necessarily limited to]~~  
25 acquiring and improving parking lots, or for any combination of

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1 the foregoing purposes. The municipality may pledge  
2 irrevocably any or all of the net revenues from the operation  
3 of the revenue-producing project for which the particular  
4 project revenue bonds are issued to the payment of the interest  
5 on and principal of the project revenue bonds. The net  
6 revenues of any revenue-producing project may not be pledged to  
7 the project revenue bonds issued for a revenue-producing  
8 project that clearly is unrelated in nature; but nothing in  
9 this subsection shall prevent the pledge to such project  
10 revenue bonds of any revenues received from existing, future or  
11 disconnected facilities and equipment that are related to and  
12 that may constitute a part of the particular revenue-producing  
13 project. A general determination by the governing body that  
14 any facilities or equipment is reasonably related to and  
15 constitutes a part of a specified revenue-producing project  
16 shall be conclusive if set forth in the proceedings authorizing  
17 the project revenue bonds. ~~[As used in Chapter 3, Article 31~~  
18 ~~NMSA 1978:~~

19 ~~(1) "project revenue bonds" means the bonds~~  
20 ~~authorized in this subsection; and~~

21 ~~(2) "project revenues" means the net revenues~~  
22 ~~of revenue-producing projects that may be pledged to project~~  
23 ~~revenue bonds pursuant to this subsection.]~~

24 G. Fire district revenue bonds may be issued for  
25 acquiring, extending, enlarging, bettering, repairing,

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1 improving, constructing, purchasing, furnishing, equipping and  
2 rehabilitating any fire district project, including, where  
3 applicable, purchasing, otherwise acquiring or improving the  
4 ground therefor, or for any combination of the foregoing  
5 purposes. The municipality may pledge irrevocably any or all  
6 of the revenues received by the fire district from the fire  
7 protection fund as provided in the Fire Protection Fund Law and  
8 any or all of the revenues provided for the operation of the  
9 fire district project for which the particular bonds are issued  
10 to the payment of the interest on and principal of the bonds.  
11 The revenues of any fire district project shall not be pledged  
12 to the bonds issued for a fire district project that clearly is  
13 unrelated in its purpose; but nothing in this section prevents  
14 the pledge to such bonds of any revenues received from  
15 existing, future or disconnected facilities and equipment that  
16 are related to and that may constitute a part of the particular  
17 fire district project. A general determination by the  
18 governing body of the municipality that any facilities or  
19 equipment is reasonably related to and constitutes a part of a  
20 specified fire district project shall be conclusive if set  
21 forth in the proceedings authorizing the fire district bonds.

22 H. Law enforcement protection revenue bonds may be  
23 issued for the repair and purchase of law enforcement apparatus  
24 and equipment that meet nationally recognized standards. The  
25 municipality may pledge irrevocably any or all of the revenues

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1 received by the municipality from the law enforcement  
2 protection fund distributions pursuant to the Law Enforcement  
3 Protection Fund Act to the payment of the interest on and  
4 principal of the law enforcement protection revenue bonds.

5 ~~[I. Economic development gross receipts tax revenue~~  
6 ~~bonds may be issued for the purpose of furthering economic~~  
7 ~~development projects as defined in the Local Economic~~  
8 ~~Development Act. The municipality may pledge irrevocably any~~  
9 ~~or all of the revenue received from the municipal~~  
10 ~~infrastructure gross receipts tax to the payment of the~~  
11 ~~interest on and principal of the economic development gross~~  
12 ~~receipts tax revenue bonds for any of the purposes authorized~~  
13 ~~in this subsection. A law that imposes or authorizes the~~  
14 ~~imposition of a municipal infrastructure gross receipts tax or~~  
15 ~~that affects the municipal infrastructure gross receipts tax,~~  
16 ~~or a law supplemental to or otherwise pertaining to the tax,~~  
17 ~~shall not be repealed or amended or otherwise directly or~~  
18 ~~indirectly modified in such a manner as to impair adversely any~~  
19 ~~outstanding revenue bonds that may be secured by a pledge of~~  
20 ~~the municipal infrastructure gross receipts tax unless the~~  
21 ~~outstanding revenue bonds have been discharged in full or~~  
22 ~~provision has been fully made for their discharge. As used in~~  
23 ~~Chapter 3, Article 31 NMSA 1978, "economic development gross~~  
24 ~~receipts tax revenue bonds" means the bonds authorized in this~~  
25 ~~subsection, and "municipal infrastructure gross receipts tax~~

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1 ~~revenue" means any or all of the revenue from the municipal~~  
2 ~~infrastructure gross receipts tax transferred to the~~  
3 ~~municipality pursuant to Section 7-1-6.12 NMSA 1978.~~

4 ~~J. Municipal higher education facilities gross~~  
5 ~~receipts tax revenue bonds may be issued for the purpose of~~  
6 ~~acquisition, construction, renovation or improvement of~~  
7 ~~facilities of a four-year post-secondary public educational~~  
8 ~~institution located in the municipality and acquisition of or~~  
9 ~~improvements to land for those facilities. The municipality~~  
10 ~~may pledge irrevocably any or all of the revenue received from~~  
11 ~~the municipal higher education facilities gross receipts tax to~~  
12 ~~the payment of the interest on and principal of the municipal~~  
13 ~~higher education facilities gross receipts tax revenue bonds.~~  
14 ~~A law that imposes or authorizes the imposition of a municipal~~  
15 ~~higher education facilities gross receipts tax or that affects~~  
16 ~~the municipal higher education facilities gross receipts tax,~~  
17 ~~or a law supplemental to or otherwise pertaining to the tax,~~  
18 ~~shall not be repealed or amended or otherwise directly or~~  
19 ~~indirectly modified in such a manner as to impair adversely any~~  
20 ~~outstanding revenue bonds that may be secured by a pledge of~~  
21 ~~the municipal higher education facilities gross receipts tax~~  
22 ~~unless the outstanding revenue bonds have been discharged in~~  
23 ~~full or provision has been fully made for their discharge. As~~  
24 ~~used in Chapter 3, Article 31 NMSA 1978, "municipal higher~~  
25 ~~education facilities gross receipts tax revenue bonds" means~~

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1 ~~the bonds authorized in this subsection and "municipal higher~~  
2 ~~education facilities gross receipts tax revenue" means any or~~  
3 ~~all of the revenue from the municipal higher education~~  
4 ~~facilities gross receipts tax transferred to the municipality~~  
5 ~~pursuant to Section 7-1-6.12 NMSA 1978.~~

6 ~~K.]~~ I. Except for the purpose of refunding previous  
7 revenue bond issues, no municipality may sell revenue bonds  
8 payable from pledged revenues after the expiration of two years  
9 from the date of the ordinance authorizing the issuance of the  
10 bonds or, for bonds to be issued and sold to the New Mexico  
11 finance authority as authorized in Subsection C of Section  
12 3-31-4 NMSA 1978, after the expiration of two years from the  
13 date of the resolution authorizing the issuance of the bonds.  
14 However, any period of time during which a particular revenue  
15 bond issue is in litigation shall not be counted in determining  
16 the expiration date of that issue."

17 **SECTION 2.** A new Section 3-31-1.1 NMSA 1978 is enacted to  
18 read:

19 "3-31-1.1. [NEW MATERIAL] DEFINITIONS.--As used in  
20 Chapter 3, Article 31 NMSA 1978:

21 A. "bond" means any obligation of a municipality  
22 issued under Chapter 3, Article 31 NMSA 1978, whether  
23 designated as a bond, note, loan, warrant, debenture, lease-  
24 purchase agreement or other instrument evidencing an obligation  
25 of a municipality to make payments;

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1           B. "gasoline tax revenue" means all or portions of  
2 the amounts of tax revenues distributed to municipalities  
3 pursuant to Sections 7-1-6.9 and 7-1-6.27 NMSA 1978;

4           C. "gasoline tax revenue bonds" means the bonds  
5 authorized by Subsection E of Section 3-31-1 NMSA 1978;

6           D. "gross receipts tax revenue" means the amount of  
7 money distributed to a municipality pursuant to Section 7-1-6.4  
8 NMSA and transferred to a municipality pursuant to Section  
9 7-1-6.12 NMSA 1978 for any municipal gross receipts tax imposed  
10 pursuant to the Municipal Local Option Gross Receipts Taxes  
11 Act;

12           E. "gross receipts tax revenue bonds" means the  
13 bonds authorized by Subsection D of Section 3-31-1 NMSA 1978;

14           F. "joint utility revenue bonds" or "joint utility  
15 bonds" means the bonds authorized by Subsection C of Section  
16 3-31-1 NMSA 1978;

17           G. "pledged revenues" means the revenues, net  
18 income or net revenues authorized to be pledged to the payment  
19 of revenue bonds as specifically provided in Chapter 3, Article  
20 31 NMSA 1978;

21           H. "project revenue bonds" means the bonds  
22 authorized by Subsection F of Section 3-31-1 NMSA 1978; and

23           I. "utility revenue bonds" or "utility bonds" means  
24 the bonds authorized by Subsection B of Section 3-31-1 NMSA  
25 1978."

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1           **SECTION 3.** Section 4-61-3 NMSA 1978 (being Laws 1982,  
2 Chapter 44, Section 3, as amended) is amended to read:

3           "4-61-3. SMALL COUNTIES ASSISTANCE FUND--DISTRIBUTION.--

4           A. The "small counties assistance fund" is created  
5 within the state treasury.

6           B. On or before September 1, 2003 and on or before  
7 September 1 of each subsequent year, the demographer shall  
8 certify in writing to the department of finance and  
9 administration the population of the state and of each county  
10 as of June 30 of the year.

11           C. On or before September 15, 2003 and on or before  
12 September 15 of each subsequent year, the secretary of finance  
13 and administration shall certify to the state treasurer with  
14 respect to each qualifying county:

15                       (1) its population as certified by the  
16 demographer;

17                       (2) its total valuation for the preceding  
18 property tax year; and

19                       (3) the distribution amount calculated for it.

20           D. The distribution amount for each qualifying  
21 county shall be determined for 2003 and each subsequent year in  
22 accordance with the following table; provided that the bracket  
23 amounts in the first two columns of the table shall be adjusted  
24 annually after 2003 by the adjustment factor. The bracket  
25 amounts in the last column shall be adjusted annually after

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1 2005 by the inflation factor and, in 2011 and subsequent years,  
2 shall be adjusted by the tax rate factor. The department of  
3 finance and administration may round the results of the  
4 adjustments made pursuant to this subsection to the nearest one  
5 thousand dollars (\$1,000).

6 If the county's total valuation for the preceding property  
7 tax year is:

8	at least:	but less	and the county	then the distribution
9		than:	population is:	amount is:
10	\$ 0	\$100,000,000	under 1,000	\$515,000
11	\$ 0	\$100,000,000	at least 1,000	
12			but under 4,000	\$370,000
13	\$ 0	\$100,000,000	at least 4,000	\$285,000
14	\$100,000,000	\$230,000,000	under 12,000	\$200,000
15	\$100,000,000	\$230,000,000	at least 12,000	\$145,000
16	\$230,000,000	\$1,400,000,000	under 48,000	\$85,000.

17 E. If the balance in the small counties assistance  
18 fund as of the preceding August 31 exceeds the sum of the  
19 distributions to be made to qualifying counties pursuant to the  
20 provisions of Subsection D of this section, the department of  
21 finance and administration shall increase the distribution amount  
22 for each county receiving a distribution amount pursuant to the  
23 provisions of Subsection D of this section by:

24 (1) fifty thousand dollars (\$50,000) if the  
25 county has imposed and has in effect on July 1 of the year in

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1 which the distribution is to be made a county [~~correctional~~  
2 ~~facility~~] gross receipts tax at a rate of at least one-eighth  
3 percent; provided that the ordinance imposing the increment shall  
4 dedicate the revenue from the increment:

5 (a) for the purpose of operating,  
6 maintaining, constructing, purchasing, furnishing, equipping,  
7 rehabilitating, expanding or improving a judicial-correctional or  
8 a county correctional facility or the grounds of a judicial-  
9 correctional or county correctional facility, including acquiring  
10 and improving parking lots, landscaping or any combination of the  
11 foregoing;

12 (b) for the purpose of transporting or  
13 extraditing prisoners; or

14 (c) to payment of principal and interest on  
15 revenue bonds or refunding bonds issued pursuant to Section 4-62-1  
16 NMSA 1978;

17 (2) twenty thousand dollars (\$20,000) if the  
18 county has imposed and has in effect on July 1 of the year in  
19 which the distribution is to be made a county gross receipts tax  
20 increment of one-sixteenth percent; or

21 (3) seventy thousand dollars (\$70,000) if the  
22 county has met the requirements of Paragraphs (1) and (2) of this  
23 subsection.

24 F. If the balance in the small counties assistance  
25 fund as of the preceding August 31 is less than the sum of the

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1 distributions determined pursuant to Subsection D of this section  
2 plus the distribution increases authorized pursuant to Subsection  
3 E of this section, the distribution increases pursuant to  
4 Subsection E of this section shall be proportionately reduced.

5 G. If the balance in the small counties assistance  
6 fund as of the preceding August 31 is less than the sum of the  
7 distributions to be made to qualifying counties, the department of  
8 finance and administration shall reduce each qualifying county's  
9 calculated distribution by a percentage computed by dividing the  
10 amount by which the fund is insufficient by the sum of all the  
11 calculated distributions and shall certify the reduced amounts as  
12 the qualifying counties' distributions.

13 H. Any interest accruing from the temporary investment  
14 of the small counties assistance fund shall be credited to the  
15 general fund.

16 I. On or before September 30, 2003 and on or before  
17 September 30 of each subsequent year, the state treasurer shall  
18 distribute to each county for whom a distribution has been  
19 certified for that year the amount certified for that county for  
20 that year. If the balance in the fund as of the preceding August  
21 31 exceeds the sum of certified amounts distributed, the  
22 difference shall revert to the general fund.

23 J. If any date specified in Subsection B, C or I of  
24 this section falls on a Saturday, Sunday or legal holiday, any  
25 action required to be performed as provided in those subsections

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1 is timely if performed on the next day that is not a Saturday,  
2 Sunday or legal holiday."

3 SECTION 4. Section 4-62-1 NMSA 1978 (being Laws 1992,  
4 Chapter 95, Section 1, as amended) is amended to read:

5 "4-62-1. REVENUE BONDS--AUTHORITY TO ISSUE--PLEDGE OF  
6 REVENUES--LIMITATION ON TIME OF ISSUANCE.--

7 A. In addition to any other law authorizing a county  
8 to issue revenue bonds, a county may issue revenue bonds pursuant  
9 to Chapter 4, Article 62 NMSA 1978 for the purposes specified in  
10 this section. [~~The term "pledged revenues", as used in Chapter 4,  
11 Article 62 NMSA 1978, means the revenues, net income or net  
12 revenues authorized to be pledged to the payment of particular  
13 revenue bonds as specifically provided in Subsections B through N  
14 of this section.~~]

15 B. Gross receipts tax revenue bonds may be issued for  
16 [~~one or more of the following purposes:~~

17 ~~(1) constructing, purchasing, furnishing,  
18 equipping, rehabilitating, making additions to or making  
19 improvements to one or more public buildings or purchasing or  
20 improving the ground of the building or buildings;~~

21 ~~(2) acquiring or improving county or public  
22 parking lots, structures or facilities;~~

23 ~~(3) purchasing, acquiring or rehabilitating  
24 firefighting equipment;~~

25 ~~(4) acquiring, extending, enlarging, bettering,~~

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1 ~~repairing or otherwise improving or maintaining storm sewers and~~  
2 ~~other drainage improvements, sanitary sewers, sewage treatment~~  
3 ~~plants, water utilities or other water, wastewater or related~~  
4 ~~facilities, which may include the acquisition of rights of way and~~  
5 ~~water and water rights;~~

6 ~~(5) reconstructing, resurfacing, maintaining,~~  
7 ~~repairing or otherwise improving existing alleys, streets, roads~~  
8 ~~or bridges or laying off, opening, constructing or otherwise~~  
9 ~~acquiring new alleys, streets, roads or bridges, which may include~~  
10 ~~the acquisition of rights of way;~~

11 ~~(6) purchasing, acquiring, constructing, making~~  
12 ~~additions to, enlarging, bettering, extending or equipping airport~~  
13 ~~facilities, which may include the acquisition of land, easements~~  
14 ~~or rights of way;~~

15 ~~(7) purchasing, otherwise acquiring or clearing~~  
16 ~~land or purchasing, otherwise acquiring or beautifying land for~~  
17 ~~open space;~~

18 ~~(8) acquiring, constructing, purchasing,~~  
19 ~~equipping, furnishing, making additions to, renovating,~~  
20 ~~rehabilitating, beautifying or otherwise improving public parks,~~  
21 ~~public recreational buildings or other public recreational~~  
22 ~~facilities;~~

23 ~~(9) acquiring, constructing, extending,~~  
24 ~~enlarging, bettering, repairing, otherwise improving or~~  
25 ~~maintaining solid waste disposal equipment, equipment for~~

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underscored material = new  
[bracketed material] = delete

1 ~~operation and maintenance of sanitary landfills, sanitary~~  
2 ~~landfills or solid waste facilities; and~~  
3 ~~(10) acquiring, constructing, extending,~~  
4 ~~bettering, repairing or otherwise improving public transit systems~~  
5 ~~or regional transit systems or facilities] any county purpose. A~~  
6 county may pledge irrevocably any or all of the revenue [~~from the~~  
7 ~~first one-eighth increment, the third one-eighth increment and the~~  
8 ~~one-sixteenth increment of the county gross receipts tax and any~~  
9 ~~increment of the county infrastructure gross receipts tax and~~  
10 ~~county capital outlay gross receipts tax] received by the county~~  
11 pursuant to Section 7-1-6.13 NMSA 1978 for payment of principal  
12 and interest due in connection with, and other expenses related  
13 to, gross receipts tax revenue bonds [~~for any of the purposes~~  
14 ~~authorized in this section or specific purposes] or for any area~~  
15 of county government services. If the revenue [~~from the first~~  
16 ~~one-eighth increment, the third one-eighth increment or the one-~~  
17 ~~sixteenth increment of the county gross receipts tax or any~~  
18 ~~increment of the county infrastructure gross receipts tax or~~  
19 ~~county capital outlay gross receipts tax] is pledged for payment~~  
20 of principal and interest as authorized by this subsection, the  
21 pledge shall require the revenues received [~~from that increment of~~  
22 ~~the county gross receipts tax or any increment of the county~~  
23 ~~infrastructure gross receipts tax or county capital outlay gross~~  
24 ~~receipts tax] to be deposited into a special bond fund for payment~~  
25 of the principal, interest and expenses. At the end of each

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1 fiscal year, money remaining in the special bond fund after the  
2 annual obligations for the bonds are fully met may be transferred  
3 to any other fund of the county. Revenues in excess of the annual  
4 principal and interest due on gross receipts tax revenue bonds  
5 secured by a pledge of gross receipts tax revenue may be  
6 accumulated in a debt service reserve account. The governing body  
7 of the county may appoint a commercial bank trust department to  
8 act as trustee of the proceeds of the tax and to administer the  
9 payment of principal of and interest on the bonds.

10 ~~[G. Fire protection revenue bonds may be issued~~  
11 ~~for acquiring, extending, enlarging, bettering, repairing,~~  
12 ~~improving, constructing, purchasing, furnishing, equipping or~~  
13 ~~rehabilitating an independent fire district project or facility,~~  
14 ~~including, as applicable, purchasing, otherwise acquiring or~~  
15 ~~improving the ground for the project. A county may pledge~~  
16 ~~irrevocably any or all of the county fire protection excise tax~~  
17 ~~revenue for payment of principal and interest due in connection~~  
18 ~~with, and other expenses related to, fire protection revenue~~  
19 ~~bonds. These bonds may be referred to in Chapter 4, Article 62~~  
20 ~~NMSA 1978 as "fire protection revenue bonds".~~

21 ~~D. Environmental revenue bonds may be issued for the~~  
22 ~~acquisition and construction of solid waste facilities, water~~  
23 ~~facilities, wastewater facilities, sewer systems and related~~  
24 ~~facilities. A county may pledge irrevocably any or all of the~~  
25 ~~county environmental services gross receipts tax revenue for~~

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[bracketed material] = delete

1 ~~payment of principal and interest due in connection with, and~~  
2 ~~other expenses related to, environmental revenue bonds. These~~  
3 ~~bonds may be referred to in Chapter 4, Article 62 NMSA 1978 as~~  
4 ~~"environmental revenue bonds".~~

5           E.] C. Gasoline tax revenue bonds may be issued for  
6 the acquisition of rights of way for and the construction,  
7 reconstruction, resurfacing, maintenance, repair or other  
8 improvement of county roads and bridges. A county may pledge  
9 irrevocably any or all of the county gasoline tax revenue for  
10 payment of principal and interest due in connection with, and  
11 other expenses related to, county gasoline tax revenue bonds.  
12 [~~These bonds may be referred to in Chapter 4, Article 62 NMSA 1978~~  
13 ~~as "gasoline tax revenue bonds".~~

14           F.] D. Utility revenue bonds or joint utility revenue  
15 bonds may be issued for acquiring, extending, enlarging,  
16 bettering, repairing or otherwise improving water facilities,  
17 sewer facilities, gas facilities or electric facilities. A county  
18 may pledge irrevocably any or all of the net revenues from the  
19 operation of the utility or joint utility for which the particular  
20 utility or joint utility bonds are issued to the payment of  
21 principal and interest due in connection with, and other expenses  
22 related to, utility or joint utility revenue bonds. [~~These bonds~~  
23 ~~may be referred to in Chapter 4, Article 62 NMSA 1978 as "utility~~  
24 ~~revenue bonds" or "joint utility revenue bonds".~~

25           G.] E. Project revenue bonds may be issued for

underscoring material = new  
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1 acquiring, extending, enlarging, bettering, repairing, improving,  
2 constructing, purchasing, furnishing, equipping or rehabilitating  
3 any revenue-producing project, including, as applicable,  
4 purchasing, otherwise acquiring or improving the ground for the  
5 project and acquiring and improving parking lots. The county may  
6 pledge irrevocably any or all of the net revenues from the  
7 operation of the revenue-producing project for which the  
8 particular project revenue bonds are issued to the payment of the  
9 interest on and principal of the project revenue bonds. The net  
10 revenues of any revenue-producing project shall not be pledged to  
11 the project revenue bonds issued for any other revenue-producing  
12 project that is clearly unrelated in nature; but nothing in this  
13 subsection prevents the pledge to any of the project revenue bonds  
14 of the revenues received from existing, future or disconnected  
15 facilities and equipment that are related to and that may  
16 constitute a part of the particular revenue-producing project. A  
17 general determination by the governing body that facilities or  
18 equipment is reasonably related to and constitutes a part of a  
19 specified revenue-producing project shall be conclusive if set  
20 forth in the proceedings authorizing the project revenue bonds.

21 ~~[As used in Chapter 4, Article 62 NMSA 1978:~~

22 ~~(1) "project revenue bonds" means the bonds~~  
23 ~~authorized in this subsection; and~~

24 ~~(2) "project revenues" means the net revenues of~~  
25 ~~revenue-producing projects that may be pledged to project revenue~~

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underscored material = new  
[bracketed material] = delete

1 ~~bonds pursuant to this subsection.~~

2           ~~H.~~] F. Fire district revenue bonds may be issued for  
3 acquiring, extending, enlarging, bettering, repairing, improving,  
4 constructing, purchasing, furnishing, equipping and rehabilitating  
5 a fire district project, including, as applicable, purchasing,  
6 otherwise acquiring or improving the ground for the project. The  
7 county may pledge irrevocably any or all of the revenues received  
8 by the fire district from the fire protection fund as provided in  
9 the Fire Protection Fund Law and any or all of the revenues  
10 provided for the operation of the fire district project for which  
11 the particular bonds are issued to the payment of the interest on  
12 and principal of the bonds. The revenues of a fire district  
13 project shall not be pledged to the bonds issued for a fire  
14 district project that clearly is unrelated in its purpose; but  
15 nothing in this section prevents the pledge to such bonds of  
16 revenues received from existing, future or disconnected facilities  
17 and equipment that are related to and that may constitute a part  
18 of the particular fire district project. A general determination  
19 by the governing body of the county that facilities or equipment  
20 is reasonably related to and constitutes a part of a specified  
21 fire district project shall be conclusive if set forth in the  
22 proceedings authorizing the fire district revenue bonds.

23           ~~F.~~] G. Law enforcement protection revenue bonds may  
24 be issued for the repair and purchase of law enforcement apparatus  
25 and equipment that meet nationally recognized standards. The

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underscored material = new  
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1 county may pledge irrevocably any or all of the revenues received  
2 by the county from the law enforcement protection fund  
3 distributions pursuant to the Law Enforcement Protection Fund Act  
4 to the payment of the interest on and principal of the law  
5 enforcement protection revenue bonds.

6 ~~J. Hospital emergency gross receipts tax revenue~~  
7 ~~bonds may be issued for acquiring, equipping, remodeling or~~  
8 ~~improving a county hospital or county health facility. A county~~  
9 ~~may pledge irrevocably to the payment of the interest on and~~  
10 ~~principal of the hospital emergency gross receipts tax revenue~~  
11 ~~bonds any or all of the revenues received by the county from a~~  
12 ~~county hospital emergency gross receipts tax imposed pursuant to~~  
13 ~~Section 7-20E-12.1 NMSA 1978 and dedicated to payment of bonds or~~  
14 ~~a loan for acquiring, equipping, remodeling or improving a county~~  
15 ~~hospital or county health facility.~~

16 ~~K. Economic development gross receipts tax revenue~~  
17 ~~bonds may be issued for the purpose of furthering economic~~  
18 ~~development projects as defined in the Local Economic Development~~  
19 ~~Act. A county may pledge irrevocably any or all of the county~~  
20 ~~infrastructure gross receipts tax to the payment of the interest~~  
21 ~~on and principal of the economic development gross receipts tax~~  
22 ~~revenue bonds for the purpose authorized in this subsection.~~

23 ~~L. County education gross receipts tax revenue bonds~~  
24 ~~may be issued for public school or off-campus instruction program~~  
25 ~~capital projects as authorized in Section 7-20E-20 NMSA 1978. A~~

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underscored material = new  
[bracketed material] = delete

1 ~~county may pledge irrevocably any or all of the county education~~  
2 ~~gross receipts tax revenue to the payment of interest on and~~  
3 ~~principal of the county education gross receipts tax revenue bonds~~  
4 ~~for the purpose authorized in this section.~~

5 ~~M. County area emergency communications and emergency~~  
6 ~~medical and behavioral health services tax revenue bonds and~~  
7 ~~countywide emergency communications and emergency medical and~~  
8 ~~behavioral health services tax revenue bonds may be issued for the~~  
9 ~~purpose of purchasing emergency communications equipment for an~~  
10 ~~emergency communications center that has been determined by the~~  
11 ~~local government division of the department of finance and~~  
12 ~~administration to be a consolidated public safety answering point~~  
13 ~~if the useful life of the equipment exceeds the term in which the~~  
14 ~~bonds mature. A county may pledge irrevocably any or all of the~~  
15 ~~county area emergency communications and emergency medical and~~  
16 ~~behavioral health services tax revenue and the countywide~~  
17 ~~emergency communications and emergency medical and behavioral~~  
18 ~~health services tax revenue to the payment of interest on and~~  
19 ~~principal of county area emergency communications and emergency~~  
20 ~~medical and behavioral health services tax revenue bonds and~~  
21 ~~countywide emergency communications and emergency medical and~~  
22 ~~behavioral health services tax revenue bonds for the purpose~~  
23 ~~authorized in this section.~~

24 ~~N.]~~ H. PILT revenue bonds may be issued by a county to  
25 repay all or part of the principal and interest of an outstanding

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[bracketed material] = delete

1 loan owed by the county to the New Mexico finance authority. A  
2 county may pledge irrevocably all or part of PILT revenue to the  
3 payment of principal of and interest on new loans or preexisting  
4 loans provided by the New Mexico finance authority to finance a  
5 public project. [~~as "public project" is defined in Subsection E~~  
6 ~~of Section 6-21-3 NMSA 1978.~~

7 ~~θ.]~~ I. Except for the purpose of refunding previous  
8 revenue bond issues, no county may sell revenue bonds payable from  
9 pledged revenue after the expiration of two years from the date of  
10 the ordinance authorizing the issuance of the bonds or, for bonds  
11 to be issued and sold to the New Mexico finance authority as  
12 authorized in Subsection C of Section 4-62-4 NMSA 1978, after the  
13 expiration of two years from the date of the resolution  
14 authorizing the issuance of the bonds. However, any period of  
15 time during which a particular revenue bond issue is in litigation  
16 shall not be counted in determining the expiration date of that  
17 issue.

18 [~~P.]~~ J. No bonds may be issued by a county, other than  
19 an H class county, a class B county as defined in Section 4-36-8  
20 NMSA 1978 or a class A county as described in Section 4-36-10 NMSA  
21 1978, to acquire, equip, extend, enlarge, better, repair or  
22 construct a utility unless the utility is regulated by the public  
23 regulation commission pursuant to the Public Utility Act and the  
24 issuance of the bonds is approved by the commission. [~~For~~  
25 ~~purposes of Chapter 4, Article 62 NMSA 1978, a "utility" includes~~

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1 ~~a water, wastewater, sewer, gas or electric utility or joint~~  
2 ~~utility serving the public. H class counties shall obtain public~~  
3 ~~regulation commission approvals required by Section 3-23-3 NMSA~~  
4 ~~1978.~~

5 Q.] K. Any law that imposes or authorizes the  
6 imposition of a [~~county gross receipts tax, a county environmental~~  
7 ~~services gross receipts tax, a county fire protection excise tax,~~  
8 ~~a county infrastructure gross receipts tax, the county education~~  
9 ~~gross receipts tax, a county capital outlay gross receipts tax,~~  
10 ~~the gasoline tax, the county hospital emergency gross receipts~~  
11 ~~tax, the countywide emergency communications and emergency medical~~  
12 ~~and behavioral health services tax or the county area emergency~~  
13 ~~communications and emergency medical and behavioral health~~  
14 ~~services tax, or that affects any of those taxes] tax authorized  
15 by the County Local Option Gross Receipts Taxes Act or that  
16 affects that tax shall not be repealed or amended in such a manner  
17 as to impair outstanding revenue bonds that are issued pursuant to  
18 Chapter 4, Article 62 NMSA 1978 and that may be secured by a  
19 pledge of [~~those taxes~~] the tax unless the outstanding revenue  
20 bonds have been discharged in full or for which provision has been  
21 fully made.~~

22 [R. ~~As used in this section:~~

23 (1) ~~"county area emergency communications and~~  
24 ~~emergency medical and behavioral health services tax revenue"~~  
25 ~~means the revenue from the county area emergency communications~~

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[bracketed material] = delete

1 ~~and emergency medical and behavioral health services tax~~  
2 ~~transferred pursuant to Section 7-1-6.13 NMSA 1978;~~

3 ~~(2) "county capital outlay gross receipts tax~~  
4 ~~revenue" means the revenue from the county capital outlay gross~~  
5 ~~receipts tax transferred to the county pursuant to Section~~  
6 ~~7-1-6.13 NMSA 1978;~~

7 ~~(3) "county education gross receipts tax~~  
8 ~~revenue" means the revenue from the county education gross~~  
9 ~~receipts tax transferred to the county pursuant to Section~~  
10 ~~7-1-6.13 NMSA 1978;~~

11 ~~(4) "county environmental services gross~~  
12 ~~receipts tax revenue" means the revenue from the county~~  
13 ~~environmental services gross receipts tax transferred to the~~  
14 ~~county pursuant to Section 7-1-6.13 NMSA 1978;~~

15 ~~(5) "county fire protection excise tax revenue"~~  
16 ~~means the revenue from the county fire protection excise tax~~  
17 ~~transferred to the county pursuant to Section 7-1-6.13 NMSA 1978;~~

18 ~~(6) "county gross receipts tax revenue" means~~  
19 ~~the revenue attributable to the first one-eighth increment, the~~  
20 ~~third one-eighth increment and the one-sixteenth increment of the~~  
21 ~~county gross receipts tax transferred to the county pursuant to~~  
22 ~~Section 7-1-6.13 NMSA 1978 and any distribution related to the~~  
23 ~~first one-eighth increment made pursuant to Section 7-1-6.16 NMSA~~  
24 ~~1978;~~

25 ~~(7) "county infrastructure gross receipts tax~~

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1 ~~revenue" means the revenue from the county infrastructure gross~~  
2 ~~receipts tax transferred to the county pursuant to Section~~  
3 ~~7-1-6.13 NMSA 1978;~~

4 ~~(8) "countywide emergency communications and~~  
5 ~~emergency medical and behavioral health services tax revenue"~~  
6 ~~means the revenue from the countywide emergency communications and~~  
7 ~~emergency medical and behavioral health services tax transferred~~  
8 ~~to the county pursuant to Section 7-1-6.13 NMSA 1978;~~

9 ~~(9) "gasoline tax revenue" means the revenue~~  
10 ~~from that portion of the gasoline tax distributed to the county~~  
11 ~~pursuant to Sections 7-1-6.9 and 7-1-6.26 NMSA 1978;~~

12 ~~(10) "PILT revenue" means revenue received by~~  
13 ~~the county from the federal government as payments in lieu of~~  
14 ~~taxes; and~~

15 ~~(11) "public building" includes fire stations,~~  
16 ~~police buildings, county or regional jails, county or regional~~  
17 ~~juvenile detention facilities, libraries, museums, auditoriums,~~  
18 ~~convention halls, hospitals, buildings for administrative offices,~~  
19 ~~courthouses and garages for housing, repairing and maintaining~~  
20 ~~county vehicles and equipment.~~

21 ~~S. As used in Chapter 4, Article 62 NMSA 1978,~~  
22 ~~"bond" means any obligation of a county issued under Chapter 4,~~  
23 ~~Article 62 NMSA 1978, whether designated as a bond, note, loan,~~  
24 ~~warrant, debenture, lease-purchase agreement or other instrument,~~  
25 ~~evidencing an obligation of a county to make payments.]"~~

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

1           SECTION 5. A new Section 4-62-1.1 NMSA 1978 is enacted to  
2 read:

3           "4-62-1.1. [NEW MATERIAL] DEFINITIONS.--As used in Chapter  
4 4, Article 62 NMSA 1978:

5           A. "bond" means any obligation of a county issued  
6 under Chapter 4, Article 62 NMSA 1978, whether designated as a  
7 bond, note, loan, warrant, debenture, lease-purchase agreement or  
8 other instrument evidencing an obligation of a county to make  
9 payments;

10           B. "gasoline tax revenue" means the revenue from that  
11 portion of the gasoline tax distributed to the county pursuant to  
12 Sections 7-1-6.9 and 7-1-6.26 NMSA 1978;

13           C. "gasoline tax revenue bonds" means the bonds  
14 authorized by Subsection C of Section 4-62-1 NMSA 1978;

15           D. "gross receipts tax revenue" means the revenue  
16 attributable to the county gross receipts tax transferred to the  
17 county pursuant to Section 7-1-6.13 NMSA 1978 and any distribution  
18 made pursuant to Section 7-1-6.16 NMSA 1978;

19           E. "gross receipts tax revenue bonds" means the bonds  
20 authorized by Subsection B of Section 4-62-1 NMSA 1978;

21           F. "PILT revenue" means revenue received by a county  
22 from the federal government as payments in lieu of taxes;

23           G. "pledged revenue" means the revenue, net income or  
24 net revenue authorized to be pledged to the payment of particular  
25 revenue bonds as specifically provided in Section 4-62-1 NMSA

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~~[bracketed material] = delete~~

1 1978;

2 H. "project revenues" means the net revenues of  
3 revenue-producing projects that may be pledged to project revenue  
4 bonds pursuant to Subsection E of Section 4-62-1 NMSA 1978;

5 I. "public project" means "public project" as defined  
6 in Subsection E of Section 6-21-3 NMSA 1978;

7 J. "utility" means a water, wastewater, sewer, gas or  
8 electric utility or joint utility servicing the public; and

9 K. "utility revenue bonds" or "joint utility revenue  
10 bonds" means the bonds authorized by Subsection D of Section  
11 4-62-1 NMSA 1978."

12 SECTION 6. Section 5-10-3 NMSA 1978 (being Laws 1993,  
13 Chapter 297, Section 3, as amended) is amended to read:

14 "5-10-3. DEFINITIONS.--As used in the Local Economic  
15 Development Act:

16 A. "arts and cultural district" means a developed  
17 district of public and private uses that is created pursuant to  
18 the Arts and Cultural District Act;

19 B. "broadband telecommunications network facilities"  
20 means the electronics, equipment, transmission facilities,  
21 fiber-optic cables and any other item directly related to a system  
22 capable of transmission of internet protocol or other formatted  
23 data at current federal communications commission minimum speed  
24 standard, all of which will be owned and used by a provider of  
25 internet access services;

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1           C. "cultural facility" means a facility that is owned  
2 by the state, a county, a municipality or a qualifying entity that  
3 serves the public through preserving, educating and promoting the  
4 arts and culture of a particular locale, including theaters,  
5 museums, libraries, galleries, cultural compounds, educational  
6 organizations, performing arts venues and organizations, fine arts  
7 organizations, studios and media laboratories and live-work  
8 housing facilities;

9           D. "department" means the economic development  
10 department;

11           E. "economic development project" or "project" means  
12 the provision of direct or indirect assistance to a qualifying  
13 entity by a local or regional government and includes:

14                 (1) the purchase, lease, grant, construction,  
15 reconstruction, improvement or other acquisition or conveyance of  
16 land, buildings or other infrastructure;

17                 (2) rights-of-way infrastructure, including  
18 trenching and conduit, for the placement of new broadband  
19 telecommunications network facilities;

20                 (3) public works improvements essential to the  
21 location or expansion of a qualifying entity;

22                 (4) payments for professional services contracts  
23 necessary for local or regional governments to implement a plan or  
24 project;

25                 (5) the provision of direct loans or grants for

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1 land, buildings or infrastructure;

2 (6) technical assistance to cultural facilities;

3 (7) loan guarantees securing the cost of land,  
4 buildings or infrastructure in an amount not to exceed the revenue  
5 that may be derived from [~~the municipal infrastructure~~] an  
6 increment of the:

7 (a) municipal gross receipts tax imposed at  
8 a rate not to exceed one-fourth percent and dedicated by the  
9 ordinance imposing the increment to a project; or

10 [~~the~~] (b) county [~~infrastructure~~] gross  
11 receipts tax imposed at a rate not to exceed one-eighth percent  
12 and dedicated by the ordinance imposing the increment to a  
13 project;

14 (8) grants for public works infrastructure  
15 improvements essential to the location or expansion of a  
16 qualifying entity; grants or subsidies to cultural facilities;

17 (9) the purchase of land for a publicly held  
18 industrial park or a publicly owned cultural facility; and

19 (10) the construction of a building for use by a  
20 qualifying entity;

21 F. "governing body" means the city council, city  
22 commission or board of trustees of a municipality or the board of  
23 county commissioners of a county;

24 G. "local government" means a municipality or county;

25 H. "municipality" means an incorporated city, town or

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

1 village;

2 I. "person" means an individual, corporation,  
3 association, partnership or other legal entity;

4 J. "qualifying entity" means a corporation, limited  
5 liability company, partnership, joint venture, syndicate,  
6 association or other person that is one or a combination of two or  
7 more of the following:

8 (1) an industry for the manufacturing,  
9 processing or assembling of agricultural or manufactured products;

10 (2) a commercial enterprise for storing,  
11 warehousing, distributing or selling products of agriculture,  
12 mining or industry, but, other than as provided in Paragraph (5),  
13 (6) or (9) of this subsection, not including any enterprise for  
14 sale of goods or commodities at retail or for distribution to the  
15 public of electricity, gas, water or telephone or other services  
16 commonly classified as public utilities;

17 (3) a business, including a restaurant or  
18 lodging establishment, in which all or part of the activities of  
19 the business involves the supplying of services to the general  
20 public or to governmental agencies or to a specific industry or  
21 customer, but, other than as provided in Paragraph (5) or (9) of  
22 this subsection, not including businesses primarily engaged in the  
23 sale of goods or commodities at retail;

24 (4) an Indian nation, tribe or pueblo or a  
25 federally chartered tribal corporation;

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1 (5) a telecommunications sales enterprise that  
2 makes the majority of its sales to persons outside New Mexico;

3 (6) a facility for the direct sales by growers  
4 of agricultural products, commonly known as farmers' markets;

5 (7) a business that is the developer of a  
6 metropolitan redevelopment project;

7 (8) a cultural facility; and

8 (9) a retail business;

9 K. "regional government" means any combination of  
10 municipalities and counties that enter into a joint powers  
11 agreement to provide for economic development projects pursuant to  
12 a plan adopted by all parties to the joint powers agreement; and

13 L. "retail business" means a business that is  
14 primarily engaged in the sale of goods or commodities at retail  
15 and that is located in a municipality with a population, according  
16 to the most recent federal decennial census, of:

17 (1) ten thousand or less; or

18 (2) more than ten thousand but less than thirty-  
19 five thousand if:

20 (a) the economic development project is not  
21 funded or financed with state government revenues; and

22 (b) the business created through the  
23 project will not directly compete with an existing business that  
24 is: 1) in the municipality; and 2) engaged in the sale of the  
25 same or similar goods or commodities at retail."

underscored material = new  
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1           SECTION 7. Section 5-10-4 NMSA 1978 (being Laws 1993,  
2 Chapter 297, Section 4, as amended) is amended to read:

3           "5-10-4. ECONOMIC DEVELOPMENT PROJECTS--RESTRICTIONS ON  
4 PUBLIC EXPENDITURES OR PLEDGES OF CREDIT.--

5           A. No local or regional government shall provide  
6 public support for economic development projects as permitted  
7 pursuant to Article 9, Section 14 of the constitution of  
8 New Mexico except as provided in the Local Economic Development  
9 Act or as otherwise permitted by law.

10           B. The total amount of public money expended and the  
11 value of credit pledged in the fiscal year in which that money is  
12 expended by a local government for economic development projects  
13 pursuant to Article 9, Section 14 of the constitution of New  
14 Mexico and the Local Economic Development Act shall not exceed ten  
15 percent of the annual general fund expenditures of the local  
16 government in that fiscal year. The limits of this subsection  
17 shall not apply to:

18                   (1) the value of any land or building  
19 contributed to any project pursuant to a project participation  
20 agreement;

21                   (2) revenue generated through the imposition of  
22 an increment of the municipal [infrastructure] gross receipts tax  
23 [pursuant to the Municipal Local Option Gross Receipts Taxes Act  
24 for] at a rate not to exceed one-fourth percent and dedicated to  
25 furthering or implementing economic development plans and projects

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1 as defined in the Local Economic Development Act or projects as  
2 defined in the Statewide Economic Development Finance Act;  
3 provided that no more than the greater of fifty thousand dollars  
4 (\$50,000) or ten percent of the revenue collected shall be used  
5 for promotion and administration of or professional services  
6 contracts related to the implementation of any such economic  
7 development plan adopted by the governing body;

8 (3) revenue generated through the imposition of  
9 ~~[a]~~ an increment of the county ~~[infrastructure]~~ gross receipts tax  
10 ~~[pursuant to the County Local Option Gross Receipts Taxes Act for]~~  
11 at a rate not to exceed one-eighth percent and dedicated to  
12 furthering or implementing economic development plans and projects  
13 as defined in the Local Economic Development Act or projects as  
14 defined in the Statewide Economic Development Finance Act;  
15 provided that no more than the greater of fifty thousand dollars  
16 (\$50,000) or ten percent of the revenue collected shall be used  
17 for promotion and administration of or professional services  
18 contracts related to the implementation of any such economic  
19 development plan adopted by the governing body;

20 (4) the proceeds of a revenue bond issue to  
21 which municipal infrastructure gross receipts tax revenue is  
22 pledged;

23 (5) the proceeds of a revenue bond issue to  
24 which the revenue from an increment of the county ~~[infrastructure]~~  
25 gross receipts tax, ~~[revenue]~~ imposed at a rate not to exceed one-

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1 eighth percent and dedicated by the ordinance imposing the  
2 increment to a project, is pledged; or

3 (6) funds donated by private entities to be used  
4 for defraying the cost of a project.

5 C. A regional or local government that generates  
6 revenue for economic development projects to which the limits of  
7 Subsection B of this section do not apply shall create an economic  
8 development fund into which such revenues shall be deposited. The  
9 economic development fund and income from the economic development  
10 fund shall be deposited as provided by law. Money in the economic  
11 development fund may be expended only as provided in the Local  
12 Economic Development Act or the Statewide Economic Development  
13 Finance Act.

14 D. In order to expend money from an economic  
15 development fund for arts and cultural district purposes, cultural  
16 facilities or retail businesses, the governing body of a  
17 municipality or county that has imposed a municipal or county  
18 local option infrastructure gross receipts tax for furthering or  
19 implementing economic development plans and projects as defined in  
20 the Local Economic Development Act or projects as defined in the  
21 Statewide Economic Development Finance Act by referendum of the  
22 majority of the voters voting on the question approving the  
23 ordinance imposing the municipal or county infrastructure gross  
24 receipts tax before July 1, 2013 shall be required to adopt a  
25 resolution. The resolution shall call for an election to approve

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1 arts and cultural districts as a qualifying purpose and cultural  
2 facilities or retail businesses as a qualifying entity before any  
3 revenue generated by the municipal or county local option gross  
4 receipts tax for furthering or implementing economic development  
5 plans and projects as defined in the Local Economic Development  
6 Act or projects as defined in the Statewide Economic Development  
7 Finance Act can be expended from the economic development fund for  
8 arts and cultural district purposes, cultural facilities or retail  
9 businesses.

10 E. The governing body shall adopt a resolution calling  
11 for an election within seventy-five days of the date the ordinance  
12 is adopted on the question of approving arts and cultural  
13 districts as a qualifying purpose and cultural facilities or  
14 retail businesses as a qualifying entity eligible to utilize  
15 revenue generated by the Municipal Local Option Gross Receipts  
16 Taxes Act or the County Local Option Gross Receipts Taxes Act for  
17 furthering or implementing economic development plans and projects  
18 as defined in the Local Economic Development Act or projects as  
19 defined in the Statewide Economic Development Finance Act.

20 F. The question shall be submitted to the voters of  
21 the municipality or county as a separate question at a regular  
22 local or county election or at a special election called for that  
23 purpose by the governing body. A special local election shall be  
24 called, conducted and canvassed as provided in the Local Election  
25 Act. A special county election shall be called, conducted and

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1 canvassed in substantially the same manner as provided by law for  
2 general elections.

3 G. If a majority of the voters voting on the question  
4 approves the ordinance adding arts and cultural districts and  
5 cultural facilities or retail businesses as an approved use of the  
6 local option municipal or county economic development  
7 infrastructure gross receipts tax fund, the ordinance shall become  
8 effective on July 1 or January 1, whichever date occurs first  
9 after the expiration of three months from the date of the adopted  
10 ordinance. The ordinance shall include the effective date."

11 SECTION 8. Section 5-15-15 NMSA 1978 (being Laws 2006,  
12 Chapter 75, Section 15, as amended) is amended to read:

13 "5-15-15. TAX INCREMENT FINANCING--GROSS RECEIPTS TAX  
14 INCREMENT.--

15 A. Notwithstanding any law to the contrary, but in  
16 accordance with the provisions of the Tax Increment for  
17 Development Act, a tax increment development plan, as originally  
18 approved or as later modified, may contain a provision that a  
19 portion of certain gross receipts tax increments collected within  
20 the tax increment development area after the effective date of  
21 approval of the tax increment development plan may be dedicated  
22 for the purpose of securing gross receipts tax increment bonds  
23 pursuant to the Tax Increment for Development Act.

24 B. As to a district formed by a municipality, a  
25 portion [of any] of the following [~~gross receipts tax increments~~]

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1 may be paid by the state directly into a special fund of the  
2 district to pay the principal of, the interest on and any premium  
3 due in connection with the bonds of, loans or advances to, or any  
4 indebtedness incurred by, whether funded, refunded, assumed or  
5 otherwise, the authority for financing or refinancing, in whole or  
6 in part, a tax increment development project within the tax  
7 increment development area:

8 (1) an increment of a municipal option gross  
9 receipts tax [~~authorized pursuant to the Municipal Local Option~~  
10 ~~Gross Receipts Taxes Act;~~

11 ~~(2) municipal environmental services gross~~  
12 ~~receipts tax authorized pursuant to the Municipal Local Option~~  
13 ~~Gross Receipts Taxes Act;~~

14 ~~(3) municipal infrastructure gross receipts tax~~  
15 ~~authorized pursuant to the Municipal Local Option Gross Receipts~~  
16 ~~Taxes Act;~~

17 ~~(4) municipal capital outlay gross receipts tax~~  
18 ~~authorized pursuant to the Municipal Local Option Gross Receipts~~  
19 ~~Taxes Act;~~

20 ~~(5) municipal regional transit gross receipts~~  
21 ~~tax authorized pursuant to the Municipal Local Option Gross~~  
22 ~~Receipts Taxes Act] that is dedicated by the ordinance imposing~~  
23 ~~the increment to the tax increment development project;~~

24 [~~(6)~~] (2) an amount distributed to  
25 municipalities pursuant to Sections 7-1-6.4 and 7-1-6.46 NMSA

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1 1978; and

2 [~~(7)~~] (3) the state gross receipts tax.

3 C. As to a district formed by a county, [~~all or~~] a  
4 portion of [~~any of~~] the following [~~gross receipts tax increments~~]  
5 may be paid by the state directly into a special fund of the  
6 district to pay the principal of, the interest on and any premium  
7 due in connection with the bonds of, loans or advances to or any  
8 indebtedness incurred by, whether funded, refunded, assumed or  
9 otherwise, the district for financing or refinancing, in whole or  
10 in part, a tax increment development project within the tax  
11 increment development area:

12 (1) an increment of a county option gross  
13 receipts tax [~~authorized pursuant to the County Local Option Gross~~  
14 ~~Receipts Taxes Act;~~

15 ~~(2) county environmental services gross receipts~~  
16 ~~tax authorized pursuant to the County Local Option Gross Receipts~~  
17 ~~Taxes Act;~~

18 ~~(3) county infrastructure gross receipts tax~~  
19 ~~authorized pursuant to the County Local Option Gross Receipts~~  
20 ~~Taxes Act;~~

21 ~~(4) county capital outlay gross receipts tax~~  
22 ~~authorized pursuant to the County Local Option Gross Receipts~~  
23 ~~Taxes Act;~~

24 ~~(5) county regional transit gross receipts tax~~  
25 ~~authorized pursuant to the County Local Option Gross Receipts~~

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1 ~~Taxes Act~~] that is dedicated by the ordinance imposing the  
2 increment to the tax increment development project;

3 [~~6~~] (2) the amount distributed to counties  
4 pursuant to Section 7-1-6.47 NMSA 1978; and

5 [~~7~~] (3) the state gross receipts tax.

6 D. The gross receipts tax increment generated by the  
7 imposition of municipal or county local option gross receipts  
8 taxes specified by statute for particular purposes may nonetheless  
9 be dedicated for the purposes of the Tax Increment for Development  
10 Act if intent to do so is set forth in the tax increment  
11 development plan approved by the governing body, if the purpose  
12 for which the increment is intended to be used is consistent with  
13 the purposes set forth in the statute authorizing the municipal or  
14 county local option gross receipts tax.

15 E. An imposition of a gross receipts tax increment  
16 attributable to the imposition of a gross receipts tax by a taxing  
17 entity may be dedicated for the purpose of securing gross receipts  
18 tax increment bonds with the agreement of the taxing entity,  
19 evidenced by a resolution adopted by a majority vote of that  
20 taxing entity. A taxing entity shall not agree to dedicate for  
21 the purposes of securing gross receipts tax increment bonds more  
22 than seventy-five percent of its gross receipts tax increment  
23 attributable to the imposition of gross receipts taxes by the  
24 taxing entity. A resolution of the taxing entity to dedicate a  
25 gross receipts tax increment or to increase the dedication of a

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1 gross receipts tax increment shall become effective only on  
2 January 1 or July 1 of the calendar year.

3 F. An imposition of a gross receipts tax increment  
4 attributable to the imposition of the state gross receipts tax  
5 within a district less the distributions made pursuant to Section  
6 7-1-6.4 NMSA 1978 may be dedicated for the purpose of securing  
7 gross receipts tax increment bonds with the agreement of the state  
8 board of finance, evidenced by a resolution adopted by a majority  
9 vote of the state board of finance. The state board of finance  
10 shall not agree to dedicate more than seventy-five percent of the  
11 gross receipts tax increment attributable to the imposition of the  
12 state gross receipts tax within the district. The resolution of  
13 the state board of finance shall become effective only on January  
14 1 or July 1 of the calendar year and shall find that:

15 (1) the state board of finance has reviewed the  
16 request for the use of the state gross receipts tax;

17 (2) based upon review by the state board of  
18 finance of the applicable tax increment development plan, the  
19 dedication by the state board of finance of a portion of the gross  
20 receipts tax increment attributable to the imposition of the state  
21 gross receipts tax within the district for use in meeting the  
22 required goals of the tax increment plan is reasonable and in the  
23 best interest of the state; and

24 (3) the use of the state gross receipts tax is  
25 likely to stimulate the creation of jobs, economic opportunities

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1 and general revenue for the state through the addition of new  
2 businesses to the state and the expansion of existing businesses  
3 within the state.

4 G. The governing body of the jurisdiction in which a  
5 tax increment development district has been established shall  
6 timely notify the assessor of the county in which the district has  
7 been established, the taxation and revenue department and the  
8 local government division of the department of finance and  
9 administration when:

10 (1) a tax increment development plan has been  
11 approved that contains a provision for the allocation of a gross  
12 receipts tax increment;

13 (2) any outstanding bonds of the district have  
14 been paid off; and

15 (3) the purposes of the district have otherwise  
16 been achieved."

17 SECTION 9. Section 6-25-7 NMSA 1978 (being Laws 2003,  
18 Chapter 349, Section 7, as amended) is amended to read:

19 "6-25-7. PROJECT REVENUE BONDS.--

20 A. The authority may issue project revenue bonds on  
21 behalf of an eligible entity to provide funds for a project.  
22 Project revenue bonds issued pursuant to the Statewide Economic  
23 Development Finance Act shall not be a general obligation of the  
24 authority or the state within the meaning of any provision of the  
25 constitution of New Mexico and shall never give rise to a

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1 pecuniary liability of the authority or the state or a charge  
2 against the general credit or taxing powers of the state. Project  
3 revenue bonds shall be payable from the revenue derived from a  
4 project being financed by the bonds and from other revenues  
5 pledged by an eligible entity and may be secured in such manner as  
6 provided in the Statewide Economic Development Finance Act and as  
7 determined by the authority. Project revenue bonds may be  
8 executed and delivered at any time, may be in such form and  
9 denominations, may be payable in installments and at times not  
10 exceeding thirty years from their date of delivery, may bear or  
11 accrete interest at a rate or rates and may contain such  
12 provisions not inconsistent with the Statewide Economic  
13 Development Finance Act, all as provided in the resolution and  
14 proceedings of the authority authorizing issuance of the bonds.  
15 Project revenue bonds issued by the authority pursuant to the  
16 Statewide Economic Development Finance Act may be sold at public  
17 or private sale in such manner and from time to time as may be  
18 determined by the authority, and the authority may pay all  
19 expenses that the authority may determine necessary in connection  
20 with the authorization, sale and issuance of the bonds. All  
21 project revenue bonds issued pursuant to the Statewide Economic  
22 Development Finance Act shall be negotiable.

23 B. The principal of and interest on project revenue  
24 bonds issued pursuant to the Statewide Economic Development  
25 Finance Act shall be secured by a pledge of the revenues of the

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1 project being financed with the proceeds of the bonds, may be  
2 secured by a mortgage of all or a part of the project being  
3 financed or other collateral pledged by an eligible entity and may  
4 be secured by the lease of such project, which collateral and  
5 lease may be assigned, in whole or in part, by the department to  
6 the authority or to third parties to carry out the purposes of the  
7 Statewide Economic Development Finance Act. The resolution of the  
8 authority pursuant to which the project revenue bonds are  
9 authorized to be issued or any such mortgage may contain any  
10 agreement and provisions customarily contained in instruments  
11 securing bonds, including provisions respecting the fixing and  
12 collection of all revenues from any project to which the  
13 resolution or mortgage pertains, the terms to be incorporated in  
14 the lease of the project, the maintenance and insurance of the  
15 project, the creation and maintenance of special funds from the  
16 revenues of the project and the rights and remedies available in  
17 event of default to the bondholders or to the trustee under a  
18 mortgage, all as determined by the authority or the department and  
19 as shall not be in conflict with the Statewide Economic  
20 Development Finance Act; provided, however, that, in making any  
21 such agreements or provisions, the authority and the department  
22 may not obligate themselves except with respect to the project and  
23 application of the revenues from the project, and except as  
24 expressly permitted by the Statewide Economic Development Finance  
25 Act, and shall not have the power to incur a pecuniary liability

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1 or a charge or to pledge the general credit or taxing power of the  
2 state. The resolution authorizing the issuance of project revenue  
3 bonds may provide procedures and remedies in the event of default  
4 in payment of the principal of or interest on the bonds or in the  
5 performance of any agreement. No breach of any such agreement  
6 shall impose any pecuniary liability upon the authority, the  
7 department or the state or any charge against the general credit  
8 or taxing powers of the state.

9 C. The authority may arrange for such other  
10 guarantees, insurance or other credit enhancements or additional  
11 security provided by an eligible entity as determined by the  
12 authority for the project revenue bonds and may provide for the  
13 payment of the costs from the proceeds of the bonds or may require  
14 payment of the costs by the eligible entity on whose behalf the  
15 bonds are issued.

16 D. Project revenue bonds issued to finance a project  
17 may also be secured by pledging a portion of the qualifying  
18 municipal or county [~~infrastructure~~] gross receipts tax revenues  
19 by the municipality or county in which the project is located, as  
20 permitted by the Local Economic Development Act.

21 E. The project revenue bonds and the income from the  
22 bonds, all mortgages or other instruments executed as security for  
23 the bonds, all lease agreements made pursuant to the provisions of  
24 the Statewide Economic Development Finance Act and revenue derived  
25 from any sale or lease of a project shall be exempt from all

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1 taxation by the state or any political subdivision of the state.  
2 The authority may issue project revenue bonds the interest on  
3 which is exempt from taxation under federal law.

4 F. In any calendar year, no more than fifteen percent  
5 of the state ceiling allocated pursuant to the Private Activity  
6 Bond Act may be used for projects financed pursuant to the  
7 Statewide Economic Development Finance Act."

8 SECTION 10. Section 7-1-3 NMSA 1978 (being Laws 1965,  
9 Chapter 248, Section 3, as amended) is amended to read:

10 "7-1-3. DEFINITIONS.--Unless the context clearly indicates  
11 a different meaning, the definitions of words and phrases as they  
12 are stated in this section are to be used, and whenever in the Tax  
13 Administration Act these words and phrases appear, the singular  
14 includes the plural and the plural includes the singular:

15 A. "automated clearinghouse transaction" means an  
16 electronic credit or debit transmitted through an automated  
17 clearinghouse payable to the state treasurer and deposited with  
18 the fiscal agent of New Mexico;

19 B. "department" means the taxation and revenue  
20 department, the secretary or any employee of the department  
21 exercising authority lawfully delegated to that employee by the  
22 secretary;

23 C. "electronic payment" means a payment made by  
24 automated clearinghouse deposit, any funds wire transfer system or  
25 a credit card, debit card or electronic cash transaction through

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1 the internet;

2 D. "employee of the department" means any employee of  
3 the department, including the secretary, or any person acting as  
4 agent or authorized to represent or perform services for the  
5 department in any capacity with respect to any law made subject to  
6 administration and enforcement under the provisions of the Tax  
7 Administration Act;

8 E. "financial institution" means any state or  
9 federally chartered, federally insured depository institution;

10 F. "hearing officer" means a person who has been  
11 designated by the chief hearing officer to serve as a hearing  
12 officer and who is:

13 (1) the chief hearing officer;

14 (2) an employee of the administrative hearings  
15 office; or

16 (3) a contractor of the administrative hearings  
17 office;

18 G. "Internal Revenue Code" means the Internal Revenue  
19 Code of 1986, as that code may be amended or its sections  
20 renumbered;

21 H. "levy" means the lawful power, hereby invested in  
22 the secretary, to take into possession or to require the present  
23 or future surrender to the secretary or the secretary's delegate  
24 of any property or rights to property belonging to a delinquent  
25 taxpayer;

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1 I. "local option gross receipts tax" means a tax  
2 authorized to be imposed by a county or municipality upon the  
3 taxpayer's gross receipts, as that term is defined in the Gross  
4 Receipts and Compensating Tax Act, and required to be collected by  
5 the department at the same time and in the same manner as the  
6 gross receipts tax; [~~"local option gross receipts tax" includes~~  
7 ~~the taxes imposed pursuant to the Municipal Local Option Gross~~  
8 ~~Receipts Taxes Act, Supplemental Municipal Gross Receipts Tax Act,~~  
9 ~~County Local Option Gross Receipts Taxes Act, Local Hospital Gross~~  
10 ~~Receipts Tax Act and County Correctional Facility Gross Receipts~~  
11 ~~Tax Act and such other acts as may be enacted authorizing counties~~  
12 ~~or municipalities to impose taxes on gross receipts, which taxes~~  
13 ~~are to be collected by the department in the same time and in the~~  
14 ~~same manner as it collects the gross receipts tax;]~~

15 J. "managed audit" means a review and analysis  
16 conducted by a taxpayer under an agreement with the department to  
17 determine the taxpayer's compliance with a tax administered  
18 pursuant to the Tax Administration Act and the presentation of the  
19 results to the department for assessment of tax found to be due;

20 K. "net receipts" means the total amount of money paid  
21 by taxpayers to the department in a month pursuant to a tax or tax  
22 act less any refunds disbursed in that month with respect to that  
23 tax or tax act;

24 L. "overpayment" means an amount paid, pursuant to any  
25 law subject to administration and enforcement under the provisions

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1 of the Tax Administration Act, by a person to the department or  
2 withheld from the person in excess of tax due from the person to  
3 the state at the time of the payment or at the time the amount  
4 withheld is credited against tax due;

5 M. "paid" includes the term "paid over";

6 N. "pay" includes the term "pay over";

7 O. "payment" includes the term "payment over";

8 P. "person" means any individual, estate, trust,  
9 receiver, cooperative association, club, corporation, company,  
10 firm, partnership, limited liability company, limited liability  
11 partnership, joint venture, syndicate, other association or gas,  
12 water or electric utility owned or operated by a county or  
13 municipality; "person" also means, to the extent permitted by law,  
14 a federal, state or other governmental unit or subdivision, or an  
15 agency, department or instrumentality thereof; and "person", as  
16 used in Sections 7-1-72 through 7-1-74 NMSA 1978, also includes an  
17 officer or employee of a corporation, a member or employee of a  
18 partnership or any individual who, as such, is under a duty to  
19 perform any act in respect of which a violation occurs;

20 Q. "property" means property or rights to property;

21 R. "property or rights to property" means any tangible  
22 property, real or personal, or any intangible property of a  
23 taxpayer;

24 S. "return" means any tax or information return,  
25 application or form, declaration of estimated tax or claim for

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1 refund, including any amendments or supplements to the return,  
2 required or permitted pursuant to a law subject to administration  
3 and enforcement pursuant to the Tax Administration Act and filed  
4 with the secretary or the secretary's delegate by or on behalf of  
5 any person;

6 T. "return information" means a taxpayer's name,  
7 address, government-issued identification number and other  
8 identifying information; any information contained in or derived  
9 from a taxpayer's return; any information with respect to any  
10 actual or possible administrative or legal action by an employee  
11 of the department concerning a taxpayer's return, such as audits,  
12 managed audits, denial of credits or refunds, assessments of tax,  
13 penalty or interest, protests of assessments or denial of refunds  
14 or credits, levies or liens; or any other information with respect  
15 to a taxpayer's return or tax liability that was not obtained from  
16 public sources or that was created by an employee of the  
17 department; but "return information" does not include statistical  
18 data or other information that cannot be associated with or  
19 directly or indirectly identify a particular taxpayer;

20 U. "secretary" means the secretary of taxation and  
21 revenue and, except for purposes of Subsection B of Section 7-1-4  
22 NMSA 1978, also includes the deputy secretary or a division  
23 director or deputy division director delegated by the secretary;

24 V. "secretary or the secretary's delegate" means the  
25 secretary or any employee of the department exercising authority

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~~[bracketed material] = delete~~

1 lawfully delegated to that employee by the secretary;

2 W. "security" means money, property or rights to  
3 property or a surety bond;

4 X. "state" means any state of the United States, the  
5 District of Columbia, the commonwealth of Puerto Rico and any  
6 territory or possession of the United States;

7 Y. "tax" means the total amount of each tax imposed  
8 and required to be paid, withheld and paid or collected and paid  
9 under provision of any law made subject to administration and  
10 enforcement according to the provisions of the Tax Administration  
11 Act, including the amount of any interest or civil penalty  
12 relating thereto; "tax" also means any amount of any abatement of  
13 tax made or any credit, rebate or refund paid or credited by the  
14 department under any law subject to administration and enforcement  
15 under the provisions of the Tax Administration Act to any person  
16 contrary to law, including the amount of any interest or civil  
17 penalty relating thereto;

18 Z. "tax return preparer" means a person who prepares  
19 for others for compensation or who employs one or more persons to  
20 prepare for others for compensation any return of income tax, a  
21 substantial portion of any return of income tax, any claim for  
22 refund with respect to income tax or a substantial portion of any  
23 claim for refund with respect to income tax; provided that a  
24 person shall not be a "tax return preparer" merely because such  
25 person:

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1 (1) furnishes typing, reproducing or other  
2 mechanical assistance;

3 (2) is an employee who prepares an income tax  
4 return or claim for refund with respect to an income tax return of  
5 the employer, or of an officer or employee of the employer, by  
6 whom the person is regularly and continuously employed; or

7 (3) prepares as a trustee or other fiduciary an  
8 income tax return or claim for refund with respect to income tax  
9 for any person; and

10 AA. "taxpayer" means a person liable for payment of  
11 any tax; a person responsible for withholding and payment or for  
12 collection and payment of any tax; a person to whom an assessment  
13 has been made, if the assessment remains unabated or the amount  
14 thereof has not been paid; or a person who entered into a special  
15 agreement pursuant to Section 7-1-21.1 NMSA 1978 to assume the  
16 liability of gross receipts tax or governmental gross receipts tax  
17 of another person and the special agreement was approved by the  
18 secretary pursuant to the Tax Administration Act."

19 SECTION 11. Section 7-9-3 NMSA 1978 (being Laws 1978,  
20 Chapter 46, Section 1, as amended) is amended to read:

21 "7-9-3. DEFINITIONS.--As used in the Gross Receipts and  
22 Compensating Tax Act:

23 A. "buying" or "selling" means a transfer of property  
24 for consideration or the performance of service for consideration;

25 B. "department" means the taxation and revenue

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1 department, the secretary of taxation and revenue or an employee  
2 of the department exercising authority lawfully delegated to that  
3 employee by the secretary;

4 C. "financial corporation" means a savings and loan  
5 association or an incorporated savings and loan company, trust  
6 company, mortgage banking company, consumer finance company or  
7 other financial corporation;

8 D. "initial use" or "initially used" means the first  
9 employment for the intended purpose and does not include the  
10 following activities:

11 (1) observation of tests conducted by the  
12 performer of services;

13 (2) participation in progress reviews,  
14 briefings, consultations and conferences conducted by the  
15 performer of services;

16 (3) review of preliminary drafts, drawings and  
17 other materials prepared by the performer of the services;

18 (4) inspection of preliminary prototypes  
19 developed by the performer of services; or

20 (5) similar activities;

21 E. "leasing" means an arrangement whereby, for a  
22 consideration, property is employed for or by any person other  
23 than the owner of the property, except that the granting of a  
24 license to use property is licensing and is not a lease;

25 F. "local option gross receipts tax" means a tax

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1 authorized to be imposed by a county or municipality upon the  
2 taxpayer's gross receipts and required to be collected by the  
3 department at the same time and in the same manner as the gross  
4 receipts tax; [~~"local option gross receipts tax" includes the~~  
5 ~~taxes imposed pursuant to the Municipal Local Option Gross~~  
6 ~~Receipts Taxes Act, Supplemental Municipal Gross Receipts Tax Act,~~  
7 ~~County Local Option Gross Receipts Taxes Act, Local Hospital Gross~~  
8 ~~Receipts Tax Act County Correctional Facility Gross Receipts Tax~~  
9 ~~Act and such other acts as may be enacted authorizing counties or~~  
10 ~~municipalities to impose taxes on gross receipts, which taxes are~~  
11 ~~to be collected by the department;~~]

12 G. "manufactured home" means a movable or portable  
13 housing structure for human occupancy that exceeds either a width  
14 of eight feet or a length of forty feet constructed to be towed on  
15 its own chassis and designed to be installed with or without a  
16 permanent foundation;

17 H. "manufacturing" means combining or processing  
18 components or materials to increase their value for sale in the  
19 ordinary course of business, but does not include construction;

20 I. "person" means:

21 (1) an individual, estate, trust, receiver,  
22 cooperative association, club, corporation, company, firm,  
23 partnership, limited liability company, limited liability  
24 partnership, joint venture, syndicate or other entity, including  
25 any gas, water or electric utility owned or operated by a county,

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1 municipality or other political subdivision of the state; or

2 (2) a national, federal, state, Indian or other  
3 governmental unit or subdivision, or an agency, department or  
4 instrumentality of any of the foregoing;

5 J. "property" means real property, tangible personal  
6 property, licenses other than the licenses of copyrights,  
7 trademarks or patents and franchises. Tangible personal property  
8 includes electricity and manufactured homes;

9 K. "research and development services" means an  
10 activity engaged in for other persons for consideration, for one  
11 or more of the following purposes:

12 (1) advancing basic knowledge in a recognized  
13 field of natural science;

14 (2) advancing technology in a field of technical  
15 endeavor;

16 (3) developing a new or improved product,  
17 process or system with new or improved function, performance,  
18 reliability or quality, whether or not the new or improved  
19 product, process or system is offered for sale, lease or other  
20 transfer;

21 (4) developing new uses or applications for an  
22 existing product, process or system, whether or not the new use or  
23 application is offered as the rationale for purchase, lease or  
24 other transfer of the product, process or system;

25 (5) developing analytical or survey activities

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1 incorporating technology review, application, trade-off study,  
2 modeling, simulation, conceptual design or similar activities,  
3 whether or not offered for sale, lease or other transfer; or

4 (6) designing and developing prototypes or  
5 integrating systems incorporating the advances, developments or  
6 improvements included in Paragraphs (1) through (5) of this  
7 subsection;

8 L. "secretary" means the secretary of taxation and  
9 revenue or the secretary's delegate;

10 M. "service" means all activities engaged in for other  
11 persons for a consideration, which activities involve  
12 predominantly the performance of a service as distinguished from  
13 selling or leasing property. "Service" includes activities  
14 performed by a person for its members or shareholders. In  
15 determining what is a service, the intended use, principal  
16 objective or ultimate objective of the contracting parties shall  
17 not be controlling. "Service" includes construction activities  
18 and all tangible personal property that will become an ingredient  
19 or component part of a construction project. That tangible  
20 personal property retains its character as tangible personal  
21 property until it is installed as an ingredient or component part  
22 of a construction project in New Mexico. Sales of tangible  
23 personal property that will become an ingredient or component part  
24 of a construction project to persons engaged in the construction  
25 business are sales of tangible personal property; and

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1 N. "use" or "using" includes use, consumption or  
2 storage other than storage for subsequent sale in the ordinary  
3 course of business or for use solely outside this state."

4 SECTION 12. Section 7-9F-3 NMSA 1978 (being Laws 2000 (2nd  
5 S.S.), Chapter 22, Section 3, as amended) is amended to read:

6 "7-9F-3. DEFINITIONS.--As used in the Technology Jobs and  
7 Research and Development Tax Credit Act:

8 A. "affiliate" means a person who directly or  
9 indirectly owns or controls, is owned or controlled by or is under  
10 common ownership or control with another person through ownership  
11 of voting securities or other ownership interests representing a  
12 majority of the total voting power of the entity;

13 B. "annual payroll expense" means the wages paid or  
14 payable to employees in the state by the taxpayer in the taxable  
15 year for which the taxpayer applies for an additional credit  
16 pursuant to the Technology Jobs and Research and Development Tax  
17 Credit Act;

18 C. "base payroll expense" means the wages paid or  
19 payable by the taxpayer in the taxable year prior to the taxable  
20 year for which the taxpayer applies for an additional credit  
21 pursuant to the Technology Jobs and Research and Development Tax  
22 Credit Act, adjusted for any increase from the preceding taxable  
23 year in the consumer price index for the United States for all  
24 items as published by the United States department of labor in the  
25 taxable year for which the additional credit is claimed. In a

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1 taxable year during which a taxpayer has been part of a business  
2 merger or acquisition or other change in business organization,  
3 the taxpayer's base payroll expense shall include the payroll  
4 expense of all entities included in the reorganization for all  
5 positions that are included in the business entity resulting from  
6 the reorganization;

7 D. "department" means the taxation and revenue  
8 department, the secretary of taxation and revenue or any employee  
9 of the department exercising authority lawfully delegated to that  
10 employee by the secretary;

11 E. "facility" means a factory, mill, plant, refinery,  
12 warehouse, dairy, feedlot, building or complex of buildings  
13 located within the state, including the land on which it is  
14 located and all machinery, equipment and other real and tangible  
15 personal property located at or within it and used in connection  
16 with its operation;

17 F. "local option gross receipts tax" means a tax  
18 authorized to be imposed by a county or municipality upon the  
19 taxpayer's gross receipts, as that term is defined in the Gross  
20 Receipts and Compensating Tax Act, and required to be collected by  
21 the department at the same time and in the same manner as the  
22 gross receipts tax; [~~"local option gross receipts tax" includes~~  
23 ~~the taxes imposed pursuant to the Municipal Local Option Gross~~  
24 ~~Receipts Taxes Act, Supplemental Municipal Gross Receipts Tax Act,~~  
25 ~~County Local Option Gross Receipts Taxes Act, Local Hospital Gross~~

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1 ~~Receipts Tax Act, County Correctional Facility Gross Receipts Tax~~  
2 ~~Act and such other acts as may be enacted authorizing counties or~~  
3 ~~municipalities to impose taxes on gross receipts, which taxes are~~  
4 ~~to be collected by the department in the same time and in the same~~  
5 ~~manner as it collects the gross receipts tax;]~~

6 G. "qualified expenditure" means an expenditure or an  
7 allocated portion of an expenditure by a taxpayer in connection  
8 with qualified research at a qualified facility, including  
9 expenditures for depletable land and rent paid or incurred for  
10 land, improvements, the allowable amount paid or incurred to  
11 operate or maintain a facility, buildings, equipment, computer  
12 software, computer software upgrades, consultants and contractors  
13 performing work in New Mexico, payroll, technical books and  
14 manuals and test materials, but not including any expenditure on  
15 property that is owned by a municipality or county in connection  
16 with an industrial revenue bond project, property for which the  
17 taxpayer has received any credit pursuant to the Investment Credit  
18 Act, property that was owned by the taxpayer or an affiliate  
19 before July 3, 2000 or research and development expenditures  
20 reimbursed by a person who is not an affiliate of the taxpayer.  
21 If a "qualified expenditure" is an allocation of an expenditure,  
22 the cost accounting methodology used for the allocation of the  
23 expenditure shall be the same cost accounting methodology used by  
24 the taxpayer in its other business activities;

25 H. "qualified facility" means a facility in New Mexico

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1 at which qualified research is conducted other than a facility  
2 operated by a taxpayer for the United States or any agency,  
3 department or instrumentality thereof;

4 I. "qualified research" means research:

5 (1) that is undertaken for the purpose of  
6 discovering information:

7 (a) that is technological in nature; and

8 (b) the application of which is intended to  
9 be useful in the development of a new or improved business  
10 component of the taxpayer; and

11 (2) substantially all of the activities of which  
12 constitute elements of a process of experimentation related to a  
13 new or improved function, performance, reliability or quality, but  
14 not related to style, taste or cosmetic or seasonal design  
15 factors;

16 J. "qualified research and development small business"  
17 means a taxpayer that:

18 (1) employed no more than fifty employees as  
19 determined by the number of employees for which the taxpayer was  
20 liable for unemployment insurance coverage in the taxable year for  
21 which an additional credit is claimed;

22 (2) had total qualified expenditures of no more  
23 than five million dollars (\$5,000,000) in the taxable year for  
24 which an additional credit is claimed; and

25 (3) did not have more than fifty percent of its



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1 voting securities or other equity interest with the right to  
2 designate or elect the board of directors or other governing body  
3 of the business owned directly or indirectly by another business;

4 K. "rural area" means any area of the state other than  
5 the state fairgrounds, an incorporated municipality with a  
6 population of thirty thousand or more according to the most recent  
7 federal decennial census and any area within three miles of the  
8 external boundaries of an incorporated municipality with a  
9 population of thirty thousand or more according to the most recent  
10 federal decennial census;

11 L. "taxpayer" means any of the following persons,  
12 other than a federal, state or other governmental unit or  
13 subdivision or an agency, department, institution or  
14 instrumentality thereof:

15 (1) a person liable for payment of any tax;

16 (2) a person responsible for withholding and  
17 payment or collection and payment of any tax;

18 (3) a person to whom an assessment has been made  
19 if the assessment remains unabated or the assessed amount has not  
20 been paid; or

21 (4) for purposes of the additional credit  
22 against the taxpayer's income tax pursuant to the Technology Jobs  
23 and Research and Development Tax Credit Act and to the extent of  
24 their respective interest in that entity, the shareholders,  
25 members, partners or other owners of:

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1 (a) a small business corporation that has  
2 elected to be treated as an S corporation for federal income tax  
3 purposes; or

4 (b) an entity treated as a partnership or  
5 disregarded entity for federal income tax purposes; and

6 M. "wages" means remuneration for services performed  
7 by an employee in New Mexico for an employer."

8 SECTION 13. Section 7-19D-9 NMSA 1978 (being Laws 1978,  
9 Chapter 151, Section 1, as amended) is amended to read:

10 "7-19D-9. MUNICIPAL GROSS RECEIPTS TAX--AUTHORITY TO IMPOSE  
11 RATE.--

12 A. The majority of the members of the governing body  
13 of any municipality may impose by ordinance an excise tax [~~not to~~  
14 ~~exceed a rate of one and one-half percent of~~] on the gross  
15 receipts of any person engaging in business in the municipality  
16 for the privilege of engaging in business in the municipality. A  
17 tax imposed pursuant to this section shall be imposed by the  
18 enactment of one or more ordinances. [~~each imposing any number of~~  
19 ~~municipal gross receipts tax rate increments but the total~~  
20 ~~municipal gross receipts tax rate imposed by all ordinances shall~~  
21 ~~not exceed an aggregate rate of one and one-half percent of the~~  
22 ~~gross receipts of a person engaging in business. Municipalities~~  
23 ~~may impose increments of one-eighth of one percent.~~

24 B. ~~The tax imposed pursuant to Subsection A of this~~  
25 ~~section may be referred to as the "municipal gross receipts tax".~~

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1           G.] The governing body of a municipality may, at the  
2 time of enacting [~~an~~] the ordinance [~~imposing the tax authorized~~  
3 ~~in Subsection A of this section~~], dedicate the revenue for [~~a~~  
4 ~~specific purpose or area of municipal government services,~~  
5 ~~including police protection, fire protection, public~~  
6 ~~transportation or street repair and maintenance~~] any municipal  
7 purpose. If the governing body proposes to dedicate such revenue,  
8 the ordinance and, if any election is held, the ballot shall  
9 clearly state the purpose to which the revenue will be dedicated,  
10 and any revenue so dedicated shall be used by the municipality for  
11 that purpose unless a subsequent ordinance is adopted to change  
12 the purpose to which dedicated or to place the revenue in the  
13 general fund of the municipality.

14           B. The tax imposed pursuant to Subsection A of this  
15 section may be referred to as the "municipal gross receipts tax".

16           C. The maximum rate of the municipal gross receipts  
17 tax on the gross receipts of any person engaging in business in  
18 the municipality shall not exceed two and one-half percent.  
19 Increments imposed in excess of one and six-tenths percent shall  
20 not go into effect until after an election is held and a majority  
21 of the voters in the municipality voting in the election votes in  
22 favor of imposing the tax. The governing body may choose to  
23 require an election to impose any increment not in excess of one  
24 and six-tenths percent.

25           D. An election shall be called on the questions of

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1 disapproval or approval of any ordinance enacted pursuant to  
2 Subsection [A] C of this section or any ordinance amending such  
3 ordinance:

4 (1) if the governing body chooses to provide in  
5 the ordinance that it shall not be effective until the ordinance  
6 is approved by the majority of the registered voters voting on the  
7 question at an election to be held pursuant to the provisions of  
8 the Local Election Act; or

9 (2) if the ordinance does not contain a  
10 mandatory election provision as provided in Paragraph (1) of this  
11 subsection, upon the filing of a petition requesting such an  
12 election if the petition is filed:

13 (a) pursuant to the requirements of a  
14 referendum provision contained in a municipal home-rule charter  
15 and signed by the number of registered voters in the municipality  
16 equal to the number of registered voters required in its charter  
17 to seek a referendum; or

18 (b) in all other municipalities, with the  
19 municipal clerk within thirty days after the adoption of such  
20 ordinance and the petition has been signed by a number of  
21 registered voters in the municipality equal to at least five  
22 percent of the number of the voters in the municipality who were  
23 registered to vote in the most recent regular municipal election.

24 E. The signatures on the petition filed in accordance  
25 with Subsection D of this section shall be verified by the

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1 municipal clerk. If the petition is verified by the municipal  
2 clerk as containing the required number of signatures of  
3 registered voters, the governing body shall adopt an election  
4 resolution calling for the holding of a special election on the  
5 question of approving or disapproving the ordinance unless the  
6 ordinance is repealed before the adoption of the election  
7 resolution. An election held pursuant to Subparagraph (a) or (b)  
8 of Paragraph (2) of Subsection D of this section shall be called,  
9 conducted and canvassed as provided in the Local Election Act, and  
10 the election shall be held within seventy-five days after the date  
11 the petition is verified by the municipal clerk or it may be held  
12 in conjunction with a regular local election if such election  
13 occurs within seventy-five days after the date of verification by  
14 the municipal clerk.

15 F. If at an election called pursuant to Subsection D  
16 of this section a majority of the registered voters voting on the  
17 question approves the ordinance imposing the tax, the ordinance  
18 shall become effective in accordance with the provisions of the  
19 Municipal Local Option Gross Receipts Taxes Act. If at such an  
20 election a majority of the registered voters voting on the  
21 question disapproves the ordinance, the ordinance imposing the tax  
22 shall be deemed repealed and the question of imposing any  
23 increment of the municipal gross receipts tax authorized in this  
24 section shall not be considered again by the governing body for a  
25 period of one year from the date of the election.

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1                   ~~[G. Any municipality that has lawfully imposed by the~~  
2 ~~requirements of the Special Municipal Gross Receipts Tax Act a~~  
3 ~~rate of at least one-fourth of one percent shall be deemed to have~~  
4 ~~imposed one-fourth of one percent municipal gross receipts tax~~  
5 ~~pursuant to this section. Any rate of tax deemed to be imposed~~  
6 ~~pursuant to this subsection shall continue to be dedicated to the~~  
7 ~~payment of outstanding bonds issued by the municipality that~~  
8 ~~pledged the tax revenues by ordinance until such time as the bonds~~  
9 ~~are fully paid. A municipality may by ordinance change the~~  
10 ~~purpose for any rate of tax deemed to be imposed at any time the~~  
11 ~~revenues are not committed to payment of bonds.~~

12                   H.] G. Any law that imposes or authorizes the  
13 imposition of a municipal gross receipts tax or that affects the  
14 municipal gross receipts tax, or any law supplemental thereto or  
15 otherwise appertaining thereto, shall not be repealed or amended  
16 or otherwise directly or indirectly modified in such a manner as  
17 to impair adversely any outstanding revenue bonds that may be  
18 secured by a pledge of such municipal gross receipts tax unless  
19 such outstanding revenue bonds have been discharged in full or  
20 provision has been fully made therefor."

21                   SECTION 14. Section 7-20E-9 NMSA 1978 (being Laws 1983,  
22 Chapter 213, Section 30, as amended) is amended to read:

23                   "7-20E-9. COUNTY GROSS RECEIPTS TAX--AUTHORITY TO IMPOSE  
24 RATE--COUNTY HEALTH CARE ASSISTANCE FUND REQUIREMENTS.--

25                   A. ~~[Except as provided in Subsection E of this~~

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1 ~~section, a majority of the members of the governing body of a~~  
2 ~~county may enact an ordinance imposing an excise tax not to exceed~~  
3 ~~a rate of seven-sixteenths percent of the gross receipts of any~~  
4 ~~person engaging in business in the county for the privilege of~~  
5 ~~engaging in business in the county. An ordinance imposing an~~  
6 ~~excise tax pursuant to this subsection shall impose the tax in~~  
7 ~~three independent increments of one-eighth percent and one~~  
8 ~~independent increment of one-sixteenth percent, which shall be~~  
9 ~~separately denominated as "the first one-eighth increment", "the~~  
10 ~~second one-eighth increment", "the third one-eighth increment" and~~  
11 ~~"the one-sixteenth increment", respectively, not to exceed an~~  
12 ~~aggregate amount of seven-sixteenths percent]~~ A majority of the  
13 members of the governing body of a county may impose by ordinance  
14 an excise tax on the gross receipts of a person engaging in  
15 business in the county or the county area. A tax imposed pursuant  
16 to this section shall be imposed by the enactment of one or more  
17 ordinances. The governing body may, at the time of enacting the  
18 ordinance, dedicate the revenue for any municipal purpose.

19 B. The tax authorized by this section is to be  
20 referred to as the "county gross receipts tax".

21 C. The maximum rate of the county gross receipts tax  
22 on the gross receipts of any person engaging in business in a  
23 county shall not exceed one and twenty-five hundredths percent.  
24 Total increments imposed in excess of one percent shall not go  
25 into effect until after an election is held and a majority of

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1 voters in the county voting in the election votes in favor of  
2 imposing the tax. The governing body may choose to require an  
3 election to impose any increment not in excess of one percent.

4 D. The maximum rate of the county gross receipts tax  
5 on the gross receipts of any person engaging in business in a  
6 county area shall not exceed one and seventy-five hundredths  
7 percent. Total increments imposed in excess of one and twenty-  
8 five hundredths percent shall not go into effect until after an  
9 election is held and a majority of voters in the county area  
10 voting in the election votes in favor of imposing the tax. The  
11 governing body may choose to require an election to impose any  
12 increment not in excess of one and twenty-five hundredths percent.

13 ~~[G.]~~ E. A class A county with a county hospital  
14 operated and maintained pursuant to a lease or operating agreement  
15 with a state educational institution named in Article 12, Section  
16 11 of the constitution of New Mexico ~~[enacting the second one-~~  
17 ~~eighth increment of county gross receipts tax]~~ shall provide ~~[each~~  
18 ~~year that the tax is in effect]~~ not less than one million dollars  
19 (\$1,000,000) in funds, and that amount shall be dedicated to the  
20 support of indigent patients who are residents of that county.  
21 Funds for indigent care shall be made available each month of each  
22 year the tax is in effect in an amount not less than eighty-three  
23 thousand three hundred thirty-three dollars thirty-three cents  
24 (\$83,333.33). The interest from the investment of county funds  
25 for indigent care may be used for other assistance to indigent

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1 persons, not to exceed twenty thousand dollars (\$20,000) for all  
2 other assistance in any year.

3 ~~[D.]~~ F. A county, except a class A county with a  
4 county hospital operated and maintained pursuant to a lease or  
5 operating agreement with a state educational institution named in  
6 Article 12, Section 11 of the constitution of New Mexico,  
7 ~~[imposing the second one-eighth increment of county gross receipts~~  
8 ~~tax]~~ shall be required to dedicate ~~[the entire amount of]~~ revenue  
9 produced by the imposition of ~~[the second]~~ a one-eighth percent  
10 gross receipts tax increment for the support of indigent patients  
11 who are residents of that county. ~~[The revenue produced by the~~  
12 ~~imposition of the third one-eighth increment and the one-sixteenth~~  
13 ~~increment may be used for general purposes. Any]~~ A county that  
14 ~~[has]~~ imposed ~~[the second one-eighth increment or the third]~~ up to  
15 two one-eighth ~~[increment, or both]~~ percent increments on January  
16 1, 1996 for support of indigent patients in the county or, after  
17 January 1, 1996, imposes ~~[the second one-eighth increment or~~  
18 ~~imposes the third]~~ a one-eighth percent increment and dedicates  
19 one-half of that increment for county indigent patient purposes  
20 shall deposit the revenue dedicated for county indigent purposes  
21 that is transferred to the county in the county health care  
22 assistance fund, and such revenues shall be expended pursuant to  
23 the Indigent Hospital and County Health Care Act.

24 ~~[E. Until June 30, 2017, in addition to the increments~~  
25 ~~authorized pursuant to Subsection A of this section, the majority~~

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1 ~~of the members of the governing body of a county, except a class A~~  
2 ~~county with a hospital that is operated and maintained pursuant to~~  
3 ~~a lease or operating agreement with a state educational~~  
4 ~~institution named in Article 12, Section 11 of the constitution of~~  
5 ~~New Mexico, may enact an ordinance imposing an excise tax of one-~~  
6 ~~sixteenth percent or one-twelfth percent of the gross receipts of~~  
7 ~~any person engaging in business in the county for the privilege of~~  
8 ~~engaging in business in the county.]"~~

9 SECTION 15. TEMPORARY PROVISION--OUTSTANDING REVENUE

10 BONDS--DEDICATIONS.--

11 A. The repeal of and changes to certain taxes made in  
12 this act shall not impair outstanding bonds that are secured by a  
13 pledge of those taxes.

14 B. If a municipality or county has issued a revenue  
15 bond that is secured by a pledge of a tax being amended or  
16 repealed by this act, the revenue received by the municipality or  
17 county is impressed with the obligation to repay the outstanding  
18 bond and is dedicated to that repayment until the bond is fully  
19 discharged or otherwise provided for in full.

20 C. If a municipality or county has dedicated any  
21 amount of revenue attributable to a tax being amended or repealed  
22 by this act, the municipality or county shall continue to dedicate  
23 the same amount of revenue attributable to the tax until the  
24 ordinance dedicating the revenue expires, the term of the  
25 dedication expires, the governing body acts to change the

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1 dedication or, in the case of bonded indebtedness, the debt is  
2 fully discharged or otherwise provided for in full.

3 SECTION 16. REPEAL.--

4 A. Sections 7-19D-10 through 7-19D-12 and 7-19D-18  
5 NMSA 1978 (being Laws 1990, Chapter 99, Section 51, Laws 1991,  
6 Chapter 9, Section 3, Laws 2001, Chapter 172, Section 1 and Laws  
7 2013, Chapter 160, Section 11, as amended) are repealed.

8 B. Sections 7-20C-1 through 7-20C-17 NMSA 1978 (being  
9 Laws 1991, Chapter 176, Sections 1 through 9, Laws 1993, Chapter  
10 306, Section 4, Laws 1991, Chapter 176, Sections 10 through 15 and  
11 Laws 1996, Chapter 18, Sections 3 and 4, as amended) are repealed.

12 C. Sections 7-20E-10 through 7-20E-12, 7-20E-15  
13 through 7-20E-17, 7-20E-19, 7-20E-21, 7-20E-24, 7-20E-27 and  
14 7-20E-28 NMSA 1978 (being Laws 1983, Chapter 213, Sections 32 and  
15 35, Laws 1989, Chapter 239, Section 1, Laws 1979, Chapter 398,  
16 Sections 3 and 8, Laws 1990, Chapter 99, Section 58, Laws 1998,  
17 Chapter 90, Section 7, Laws 2001, Chapter 172, Section 2, Laws  
18 2005, Chapter 212, Section 1, Laws 2010, Chapter 31, Section 1 and  
19 Laws 2013, Chapter 160, Section 12, as amended) are repealed.

20 D. Sections 7-20F-1 through 7-20F-12 NMSA 1978 (being  
21 Laws 1993, Chapter 303, Sections 1 through 12, as amended) are  
22 repealed.

23 E. Sections 7-24B-1 through 7-24B-9 NMSA 1978 (being  
24 Laws 1987, Chapter 45, Sections 10 through 13, Laws 1990, Chapter  
25 88, Section 16 and Laws 1987, Chapter 45, Sections 15 through 18,

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1 as amended) are repealed.

2 F. Section 60-2E-47.1 NMSA 1978 (being Laws 2010,  
3 Chapter 31, Section 3) is repealed.

4 SECTION 17. EFFECTIVE DATE.--The effective date of the  
5 provisions of this act is July 1, 2019.

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