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HOUSE BILL 303

**54TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2020**

INTRODUCED BY

Angelica Rubio and Joanne J. Ferrary

AN ACT

RELATING TO LOCAL GOVERNMENT; AMENDING AND ENACTING SECTIONS OF THE RENEWABLE ENERGY FINANCING DISTRICT ACT; AUTHORIZING RENEWABLE ENERGY FINANCING TO OCCUR THROUGH RENEWABLE ENERGY IMPROVEMENT FINANCING INSTITUTIONS; DIRECTING THE FINANCIAL INSTITUTIONS DIVISION OF THE REGULATION AND LICENSING DEPARTMENT TO DEVELOP RULES TO CERTIFY ELIGIBLE FINANCING ENTITIES.

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

SECTION 1. Section 5-18-1 NMSA 1978 (being Laws 2009, Chapter 180, Section 1) is amended to read:

"5-18-1. SHORT TITLE.--~~[This act]~~ Chapter 5, Article 18 NMSA 1978 may be cited as the "Renewable Energy Financing District Act"."

SECTION 2. Section 5-18-7 NMSA 1978 (being Laws 2009,

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1 Chapter 180, Section 7) is amended to read:

2 "5-18-7. SPECIAL ASSESSMENT--LIEN CREATED.--

3 A. The district board may impose a special  
4 assessment on property within the district to facilitate the  
5 financing of renewable energy improvements to the property.  
6 Financing may be provided through bond issuance or an entity  
7 that has been certified by the financial institutions division  
8 of the regulation and licensing department as a renewable  
9 energy improvement financing institution, pursuant to the  
10 provisions of Section 3 of this 2020 act. The special  
11 assessment shall be sufficient in the case of each property to  
12 pay the costs of the financing of the renewable energy  
13 improvements, including the costs of bond issuance, debt  
14 service and administrative costs of the district and the  
15 municipality or county in which the district is located.

16 B. The special assessment shall be levied and  
17 collected at the same time and in the same manner as property  
18 taxes are levied and collected, except to the extent that the  
19 district board has provided for other imposition and collection  
20 procedures. Money derived from the imposition of the special  
21 assessment shall be kept separately from other funds of the  
22 governing body.

23 C. A special assessment shall constitute a lien on  
24 the property, which shall be effective during the period in  
25 which the assessment is imposed and shall have priority over

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1 all other liens except liens for ad valorem property taxes.

2 D. The obligation to pay the special assessment may  
3 be prepaid and permanently satisfied, and the district board  
4 shall specify the conditions under which this may be achieved."

5 SECTION 3. A new section of the Renewable Energy  
6 Financing District Act is enacted to read:

7 "[NEW MATERIAL] RENEWABLE ENERGY IMPROVEMENT FINANCING  
8 INSTITUTION--CERTIFICATION OF QUALIFIED ENTITIES.--The  
9 financial institutions division of the regulation and licensing  
10 department shall promulgate rules for the certification of  
11 financial institutions or other entities as renewable energy  
12 improvement financing institutions. The rules shall ensure  
13 that a renewable energy improvement financing institution is a  
14 member institution of the federal deposit insurance corporation  
15 or the national credit union administration or is an entity  
16 that the financial institutions division finds meets generally  
17 accepted criteria for financial stability and soundness."