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AN ACT

RELATING TO TAXATION; AMENDING CERTAIN DISTRIBUTIONS OF
CIGARETTE TAX REVENUE; AUTHORIZING THE ISSUANCE OF REVENUE
BONDS; MAKING APPROPRIATIONS AUTHORIZING THE NEW MEXICO
FINANCE AUTHORITY TO ISSUE CERTAIN ADDITIONAL REVENUE BONDS
FOR THE UNIVERSITY OF NEW MEXICO HOSPITAL AND THE
COMPREHENSIVE CANCER CENTER AT THE UNIVERSITY OF NEW MEXICO
HEALTH SCIENCES CENTER; CORRECTING INCORRECT REFERENCES
TO CERTAIN LAWS CAUSED BY THE PARTIAL VETO OF LAWS 2010
(2ND S.S.), CHAPTER 5, SECTION 1; MAKING APPROPRIATIONS.

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

SECTION 1. Section 6-21-6.7 NMSA 1978 (being Laws 2003,
Chapter 341, Section 5, as amended) is amended to read:

"6-21-6.7. CREDIT ENHANCEMENT ACCOUNT CREATED--USE OF
ACCOUNT--RELEASE OF MONEY TO THE GENERAL FUND.--

A. The "credit enhancement account" is created as
a separate account within the authority for use only as
provided in this section.

B. All cigarette tax proceeds distributed each
month to the authority pursuant to Subsection D of Section
7-1-6.11 NMSA 1978 shall be deposited in the credit
enhancement account.

C. Amounts deposited in the credit enhancement
account may be pledged irrevocably as additional security for

1 the payment of the principal, interest, premiums and expenses
2 on bonds issued by the authority for:

3 (1) designing, constructing, equipping and
4 furnishing additions and improvements to the university of
5 New Mexico hospital and the comprehensive cancer center at
6 the university of New Mexico health sciences center; and

7 (2) land acquisition and the planning,
8 designing, construction and equipping of department of health
9 facilities or improvements to such facilities.

10 D. The authority shall determine monthly upon
11 receipt of cigarette tax proceeds if the individual amounts
12 of cigarette tax proceeds distributed pursuant to Subsection
13 B or C, respectively, of Section 7-1-6.11 NMSA 1978 are
14 sufficient to meet the monthly amount required for immediate
15 payment or designation for payment of principal, interest,
16 premiums and expenses on bonds additionally secured by the
17 credit enhancement account. Any insufficient amount shall
18 be paid immediately from the credit enhancement account.

19 A payment from the credit enhancement account shall be
20 reimbursed in succeeding months from the individual amount of
21 cigarette tax proceeds distributed pursuant to Subsection B
22 or C, as applicable, of Section 7-1-6.11 NMSA 1978 in excess
23 of the amount required for immediate payment or designation
24 for payment of principal, interest, premiums and expenses on
25 bonds. All money in the credit enhancement account in excess

1 of the monthly amount required for immediate payment or
2 designation for payment of principal, interest, premiums and
3 expenses on bonds shall be transferred monthly by the
4 authority to the general fund.

5 E. Any law authorizing the imposition, collection
6 or distribution of the cigarette tax or that affects the
7 cigarette tax shall not be amended, repealed or otherwise
8 directly or indirectly modified so as to impair or reduce
9 debt service coverage for any outstanding revenue bonds that
10 may be secured by a pledge of those cigarette tax proceeds
11 distributed to the credit enhancement account, unless the
12 revenue bonds have been discharged in full or provisions have
13 been made for a full discharge."

14 SECTION 2. Section 7-1-6.11 NMSA 1978 (being Laws 1983,
15 Chapter 211, Section 16, as amended) is amended to read:

16 "7-1-6.11. DISTRIBUTIONS OF CIGARETTE TAXES.--

17 A. A distribution pursuant to Section 7-1-6.1 NMSA
18 1978 shall be made to the board of regents of the university
19 of New Mexico for the benefit of the comprehensive cancer
20 center at the university of New Mexico health sciences center
21 in an amount equal to seventy-one hundredths percent of the
22 net receipts, exclusive of penalties and interest,
23 attributable to the cigarette tax.

24 B. A distribution pursuant to Section 7-1-6.1 NMSA
25 1978 in an amount equal to seven and fifty-two hundredths

1 percent of the net receipts, exclusive of penalties and
2 interest, attributable to the cigarette tax, shall be made on
3 behalf of and for the benefit of the university of New Mexico
4 health sciences center for its comprehensive cancer center,
5 until payment of all principal, interest and other expenses
6 or obligations related to the bonds authorized pursuant to
7 Section 3 of this 2021 act and the New Mexico finance
8 authority certifies to the secretary of taxation and revenue
9 that all obligations for the bonds have been fully
10 discharged, to the credit enhancement account.

11 C. A distribution pursuant to Section 7-1-6.1 NMSA
12 1978 in an amount equal to three and seventeen hundredths
13 percent of the net receipts, exclusive of penalties and
14 interest, attributable to the cigarette tax shall be made to
15 the New Mexico finance authority for land acquisition and the
16 planning, designing, construction and equipping of department
17 of health facilities or improvements to such facilities.

18 D. A distribution pursuant to Section 7-1-6.1 NMSA
19 1978 in an amount equal to eight and twenty-six hundredths
20 percent of the net receipts, exclusive of penalties and
21 interest, attributable to the cigarette tax shall be made to
22 the New Mexico finance authority for deposit in the credit
23 enhancement account created in the authority.

24 E. A distribution pursuant to Section 7-1-6.1 NMSA
25 1978 in an amount equal to fifty-three hundredths percent of

1 the net receipts, exclusive of penalties and interest,
2 attributable to the cigarette tax shall be made, on behalf
3 of and for the benefit of the rural county cancer treatment
4 fund, to the New Mexico finance authority."

5 SECTION 3. Laws 2003, Chapter 341, Section 3, as
6 amended by Laws 2005, Chapter 319, Section 1, is compiled in
7 Chapter 6, Article 21 NMSA 1978 and is amended to read:

8 "NEW MEXICO FINANCE AUTHORITY REVENUE BONDS--
9 AUTHORIZED--UNIVERSITY OF NEW MEXICO HOSPITAL AND UNIVERSITY
10 OF NEW MEXICO HEALTH SCIENCES CENTER.--

11 A. The New Mexico finance authority may issue and
12 sell revenue bonds in compliance with the New Mexico Finance
13 Authority Act for a term not exceeding twenty years in an
14 amount not exceeding eighty-two million dollars (\$82,000,000)
15 for the purpose of designing, constructing, equipping and
16 furnishing additions and improvements to the university of
17 New Mexico hospital and the comprehensive cancer center at
18 the university of New Mexico health sciences center.

19 B. The New Mexico finance authority may issue
20 and sell additional revenue bonds in compliance with the
21 New Mexico Finance Authority Act for a term not exceeding
22 twenty years in an amount not exceeding fifteen million
23 dollars (\$15,000,000) for the purpose of supplementing the
24 proceeds of the bonds issued pursuant to Subsection A of this
25 section to design, construct, equip and furnish additions and

1 improvements to the university of New Mexico hospital and the
2 comprehensive cancer center at the university of New Mexico
3 health sciences center.

4 C. The New Mexico finance authority may issue
5 and sell revenue bonds authorized by this section when the
6 vice president for health sciences of the university of
7 New Mexico certifies the need for issuance of the bonds. The
8 net proceeds from the sale of the bonds are appropriated to
9 the health sciences center of the university of New Mexico
10 for the purposes described in Subsections A and B of this
11 section.

12 D. The cigarette tax proceeds distributed to the
13 New Mexico finance authority pursuant to Subsection B of
14 Section 7-1-6.11 NMSA 1978 shall be pledged irrevocably for
15 the payment of the principal, interest, premiums and related
16 expenses on the bonds and for payment of the expenses
17 incurred by the authority related to the issuance, sale and
18 administration of the bonds.

19 E. The cigarette tax proceeds distributed to the
20 New Mexico finance authority pursuant to Subsection B of
21 Section 7-1-6.11 NMSA 1978 shall be deposited each month in
22 a separate fund or account of the authority. Money in the
23 separate fund or account in excess of the monthly amount
24 necessary for immediate payment or designation for payment of
25 principal and interest due on the bonds is appropriated to

1 the university of New Mexico health sciences center for the
2 programs and operations of its comprehensive cancer center
3 and shall be transferred each month to the university of
4 New Mexico health sciences center for the comprehensive
5 cancer center.

6 F. Upon payment of all principal, interest and
7 other expenses or obligations related to the bonds, the
8 New Mexico finance authority shall certify to the secretary
9 of taxation and revenue that all obligations for the bonds
10 issued pursuant to this section have been fully discharged
11 and shall direct the secretary of taxation and revenue and
12 the state treasurer to cease distributing cigarette tax
13 proceeds to the authority pursuant to Subsection B of Section
14 7-1-6.11 NMSA 1978.

15 G. Any law authorizing the imposition, collection
16 or distribution of the cigarette tax or that affects the
17 cigarette tax shall not be amended, repealed or otherwise
18 directly or indirectly modified so as to impair or reduce
19 debt service coverage for any outstanding revenue bonds that
20 may be secured by a pledge of those cigarette tax revenues,
21 unless the revenue bonds have been discharged in full or
22 provisions have been made for a full discharge.

23 H. The New Mexico finance authority may
24 additionally secure the revenue bonds issued pursuant to
25 this section by a pledge of money in the public project

1 revolving fund with a lien priority on the money in the
2 public project revolving fund as determined by the authority.

3 I. The New Mexico finance authority may purchase
4 revenue bonds issued pursuant to this section with money in
5 the public project revolving fund pursuant to the provisions
6 of Section 6-21-6 NMSA 1978."

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