

1 SENATE BILL 157

2 **56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023**

3 INTRODUCED BY

4 Gay G. Kernan

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9  
10 AN ACT

11 RELATING TO MUNICIPALITIES; PROVIDING A DISTRIBUTION OF GROSS  
12 RECEIPTS TAX REVENUE TO THE CITY OF HOBBS TO COMPENSATE FOR  
13 CERTAIN MUNICIPAL GROSS RECEIPTS TAX REVENUE SOURCED TO LEA  
14 COUNTY; MAKING AN APPROPRIATION.

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

17 SECTION 1. A new section of the Tax Administration Act is  
18 enacted to read:

19 "[NEW MATERIAL] DISTRIBUTION--CITY OF HOBBS--COMPENSATION  
20 FOR MUNICIPAL GROSS RECEIPTS TAX REVENUE SOURCED TO LEA  
21 COUNTY.--A distribution pursuant to Section 7-1-6.1 NMSA 1978  
22 in an amount equal to two million dollars (\$2,000,000) of the  
23 net receipts attributable to the gross receipts tax shall be  
24 made to the city of Hobbs to compensate for municipal gross  
25 receipts tax revenue sourced to Lea county pursuant to Section

.223906.2

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1 7-1-14 NMSA 1978."

2 SECTION 2. APPROPRIATION.--Twenty-five million dollars  
3 (\$25,000,000) is appropriated from the general fund to the  
4 local government division of the department of finance and  
5 administration for distribution to the city of Hobbs for  
6 expenditure by the city in fiscal year 2023 and subsequent  
7 fiscal years. Any unexpended or unencumbered balance remaining  
8 at the end of a fiscal year shall not revert to the general  
9 fund.

10 SECTION 3. EFFECTIVE DATE.--The effective date of the  
11 provisions of Section 1 of this act is July 1, 2023.