

AN ACT
RELATING TO INDUSTRIAL REVENUE BONDS; IMPOSING CERTAIN
REPORTING REQUIREMENTS ON MUNICIPALITIES AND COUNTIES;
REQUIRING CONSIDERATION OF THE FISCAL IMPACT OF ISSUANCE OF
INDUSTRIAL REVENUE BONDS; AMENDING AND ENACTING SECTIONS OF
THE NMSA 1978.

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

Section 1. A new section of the Industrial Revenue
Bond Act is enacted to read:

"REPORTING REQUIREMENTS.--

A. A municipality issuing bonds pursuant to the
Industrial Revenue Bond Act shall report to the local
government division of the department of finance and
administration the following information:

- (1) for each bond authorization in the
calendar year prior to the report:
 - (a) the amount of the bond authorized;
 - (b) the date of the authorization;
 - (c) the name of the company for whose
benefit the bonds were authorized; and
 - (d) a brief description of the project
for which the bonds were authorized; and
- (2) for each bond issuance in the calendar
year prior to the report:
 - (a) the amount of the bond issued;
 - (b) the date of issuance;
 - (c) the name of the company for whose
benefit the bonds were issued;
 - (d) a brief description of the project

financed or to be financed;

(e) the term of the bonds;

(f) whether interest on the bonds is excludable from gross income for federal income tax purposes; and

(g) the general provisions of any payment in lieu of taxes agreement.

B. A municipality issuing bonds pursuant to the Industrial Revenue Bond Act after July 1, 1999 shall, during the period the bonds are outstanding, submit an annual report to the local government division of the department of finance and administration on employment at the project. The report shall include information on the number of full-time, part-time and temporary employees as of the end of the preceding calendar year, aggregate data on the city and county of residence for those employees and some classification of those employees by type of position or work.

C. The reports required by this section shall be submitted to the local government division of the department of finance and administration on or before July 1 of each year. The reports shall be in a form the division, in consultation with the state board of finance, deems appropriate."

Section 2. Section 3-32-7 NMSA 1978 (being Laws 1965, Chapter 300, Section 14-31-4, as amended) is amended to read:

"3-32-7. BONDS ISSUED TO FINANCE PROJECTS.--Bonds issued by a municipality under authority of the Industrial Revenue Bond Act shall not be the general obligation of such

municipality within the meaning of Article 9, Sections 12 and 13 of the constitution of New Mexico. The bonds shall be payable solely out of the revenue derived from the projects to finance which the bonds are issued. Bonds and interest coupons, if any, issued under authority of the Industrial Revenue Bond Act shall never constitute an indebtedness of the municipality within the meaning of any state constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the municipality or a charge against its general credit or taxing powers, and such fact shall be plainly stated on the face of each bond. The bonds may be executed and delivered at any time, and from time to time, may be in such form and denominations, may be of such tenor, may be in registered or bearer form either as to principal or interest or both, may be payable in such installments and at such time or times not exceeding thirty years from their date, may be payable at such place or places, may bear interest at such rate or rates payable at such place or places and evidenced in such manner and may contain such provisions not inconsistent with the Industrial Revenue Bond Act, all as shall be provided in the ordinance and proceedings of the governing body whereunder the bonds are authorized to be issued. In connection with the adoption of the ordinance authorizing issuance of the bonds, the governing body of the municipality shall consider the fiscal impact on the municipality or any other governmental entity resulting from or related to the issuance of the bonds. Any bonds issued under the authority of the Industrial Revenue Bond Act may be sold at public or private sale in such manner and from

time to time as may be determined by the governing body to be most advantageous, and the municipality may pay all expenses, attorneys', engineering and architects' fees, premiums and commissions which the governing body may deem necessary or advantageous in connection with the authorization, sale and issuance of the bonds. All bonds issued under the authority of the Industrial Revenue Bond Act and all interest coupons applicable thereto, if any, shall be construed to be negotiable."

Section 3. Section 3-32-16 NMSA 1978 (being Laws 1965, Chapter 300, Section 14-31-13) is amended to read:

"3-32-16. NO NOTICE OR PUBLICATION REQUIRED.--No notice, consent or approval by any governmental body or public officer shall be required as a prerequisite to the sale or issuance of any bonds or the making of a mortgage under the authority of the Industrial Revenue Bond Act except as provided in that act."

Section 4. A new section of the County Industrial Revenue Bond Act is enacted to read:

"REPORTING REQUIREMENTS.--

A. A county issuing bonds pursuant to the County Industrial Revenue Bond Act shall report to the local government division of the department of finance and administration the following information:

(1) for each bond authorization in the calendar year prior to the report:

- (a) the amount of the bond authorized;
- (b) the date of the authorization;
- (c) the name of the company for whose benefit the bonds were authorized; and

(d) a brief description of the project for which the bonds were authorized; and

(2) for each bond issuance in the calendar year prior to the report:

(a) the amount of the bond issued;

(b) the date of issuance;

(c) the name of the company for whose benefit the bonds were issued;

(d) a brief description of the project financed or to be financed;

(e) the term of the bonds;

(f) whether interest on the bonds is excludable from gross income for federal income tax purposes; and

(g) the general provisions of any payment in lieu of taxes agreement.

B. A county issuing bonds pursuant to the County Industrial Revenue Bond Act after July 1, 1999 shall, during the period the bonds are outstanding, submit an annual report to the local government division of the department of finance and administration on employment at the project. The report shall include information on the number of full-time, part-time and temporary employees as of the end of the preceding calendar year, aggregate data on the city and county of residence for those employees and some classification of those employees by type of position or work.

C. The reports required by this section shall be submitted to the local government division of the department of finance and administration on or before July 1 of each

year. The reports shall be in a form the division, in consultation with the state board of finance, deems appropriate."

Section 5. Section 4-59-5 NMSA 1978 (being Laws 1975, Chapter 286, Section 5, as amended) is amended to read:

"4-59-5. BONDS ISSUED TO FINANCE PROJECTS.--

A. Bonds issued by a county under authority of the County Industrial Revenue Bond Act shall not be the general obligation of such county within the meaning of Article 9, Sections 10 and 13 of the constitution of New Mexico. The bonds shall be payable solely out of the revenue derived from the projects for which the bonds are issued. Bonds and interest coupons, if any, issued under authority of the County Industrial Revenue Bond Act shall never constitute an indebtedness of the county within the meaning of any state constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the county or a charge against its general credit or taxing powers, and such fact shall be plainly stated on the face of each bond.

B. Such bonds may be executed and delivered at any time, and from time to time, may be in such form and denominations, may be of such tenor, may be in registered or bearer form either as to principal or interest or both, may be payable in such installments and at such time or times not exceeding thirty years from their date, may be payable at such place or places, may bear interest at such rate payable at such place or places and evidenced in such manner and may contain such provisions not inconsistent with this section, all as shall be provided in the ordinance and

proceedings of the governing body under which the bonds shall be authorized to be issued.

C. Any bonds issued under the authority of the County Industrial Revenue Bond Act may be sold at public or private sale in such manner and from time to time as may be determined by the commission to be most advantageous, and the county may pay all expenses, attorneys', engineering and architects' fees, premiums and commissions which the commission may deem necessary or advantageous in connection with the authorization, sale and issuance of the bonds.

D. All bonds issued under the authority of the County Industrial Revenue Bond Act and all applicable interest coupons shall be construed to be negotiable.

E. In connection with the adoption of the ordinance authorizing issuance of the bonds, the board of county commissioners shall consider the fiscal impact on the county or any other governmental entity resulting from or related to the issuance of the bonds." _____