

AN ACT

RELATING TO STATE BUILDINGS; AUTHORIZING RENOVATIONS AND
MAINTENANCE AND THE DEVELOPMENT OF PERMANENT EXHIBITS AT STATE
MUSEUMS AND MONUMENTS PURSUANT TO THE STATE OFFICE BUILDING
ACQUISITION BONDING ACT; RENAMING THAT ACT AND THE STATE OFFICE
BUILDING BONDING FUND.

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

Section 1. Section 6-21C-1 NMSA 1978 (being Laws 2001, Chapter 199,
Section 1) is amended to read:

"6-21C-1. SHORT TITLE.--Chapter 6, Article 21C NMSA 1978 may be cited as
the "State Building Bonding Act"."

Section 2. Section 6-21C-3 NMSA 1978 (being Laws 2001, Chapter 199,
Section 3) is amended to read:

"6-21C-3. DEFINITIONS.--As used in the State Building Bonding Act:

A. "acquiring" or "acquisition" includes acquiring or acquisition by
purchase, construction or renovation; and

B. "building bonds" means state office building tax revenue bonds or
state museum tax revenue bonds."

Section 3. Section 6-21C-4 NMSA 1978 (being Laws 2001, Chapter 199,
Section 4) is amended to read:

"6-21C-4. NEW MEXICO FINANCE AUTHORITY SHALL ISSUE BUILDING
BONDS--APPROPRIATION OF PROCEEDS.--

A. The New Mexico finance authority is authorized to issue and sell

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revenue bonds, known as "state office building tax revenue bonds", payable solely from the state building bonding fund, in compliance with the State Building Bonding Act for the purpose of acquiring state office buildings when the acquisition has been reviewed by the capitol buildings planning commission and has been authorized by legislative act and the director of the property control division of the general services department has certified the need for the issuance of the bonds.

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B. The New Mexico finance authority is authorized to issue and sell revenue bonds, known as "state museum tax revenue bonds", payable solely from the state building bonding fund, in compliance with the State Building Bonding Act for the purpose of renovating and maintaining existing structures and developing permanent exhibits at state museums and monuments when the renovation, maintenance or exhibit development has been authorized by legislative act, the state cultural affairs officer has certified the need for the issuance of the bonds and, in the case of a renovation or maintenance of an existing structure, the renovation or maintenance has been reviewed by the capitol buildings planning commission.

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C. The net proceeds from the state office building tax revenue bonds are appropriated to the property control division of the general services department for the purpose of acquiring state office buildings, the acquisition of which shall be consistent with the State Building Bonding Act and the authorizing legislation.

D. The net proceeds from the state museum tax revenue bonds are appropriated to the office of cultural affairs for the purpose of renovating and maintaining existing structures and developing permanent exhibits at state museums and monuments, the renovation, maintenance or exhibit development of which shall be consistent with the State Building Bonding Act and the authorizing legislation."

Section 4. Section 6-21C-5 NMSA 1978 (being Laws 2001, Chapter 199, Section 5) is amended to read:

"6-21C-5. STATE BUILDING BONDING FUND CREATED--MONEY IN THE FUND PLEDGED.--

A. The "state building bonding fund" is created as a special fund within the New Mexico finance authority. The fund shall be administered by the New Mexico finance authority as a special account. The fund shall consist of money appropriated and transferred to the fund and gross receipts tax revenues distributed to the fund by law. Earnings of the fund shall be credited to the fund. Balances in the fund at the end of any fiscal year shall remain in the fund, except as provided in this section.

B. Money in the state building bonding fund is pledged for the payment of principal and interest on all building bonds issued pursuant to the State Building Bonding Act. Money in the fund is appropriated to the New Mexico finance authority for the purpose of paying debt service, including redemption premiums, on the building bonds and the expenses incurred in the issuance, payment and administration of the bonds.

C. On the last day of January and July of each year, the New Mexico finance authority shall estimate the amount needed to make debt service and other payments during the next twelve months from the state building bonding fund on the building bonds issued pursuant to the State Building Bonding Act plus the amount that may be needed for any required reserves. The New Mexico finance authority shall transfer to the general fund any balance in the state building bonding fund above the estimated amounts.

D. Any balance remaining in the state building bonding fund shall be

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transferred to the general fund upon certification by the New Mexico finance authority that:

(1) the director of the property control division of the general services department, in the case of state office building tax revenue bonds, and the state cultural affairs officer, in the case of state museum tax revenue bonds, and the New Mexico finance authority have agreed that the building bonds issued pursuant to the State Building Bonding Act have been retired, that no additional obligations of the state building bonding fund exist and that no additional expenditures from the fund are necessary; or

(2) a court of jurisdiction has ruled that the building bonds have been retired, that no additional obligations of the state building bonding fund exist and that no additional expenditures from the fund are necessary.

E. The building bonds issued pursuant to the State Building Bonding Act shall be payable solely from the state building bonding fund or, with the approval of the bondholders, such other special funds as may be provided by law and do not create an obligation or indebtedness of the state within the meaning of any constitutional provision. No breach of any contractual obligation incurred pursuant to that act shall impose a pecuniary liability or a charge upon the general credit or taxing power of the state, and the bonds are not general obligations for which the state's full faith and credit is pledged.

F. The state does hereby pledge that the state building bonding fund shall be used only for the purposes specified in this section and pledged first to pay the debt service on the building bonds issued pursuant to the State Building Bonding Act. The state further pledges that any law authorizing the distribution of taxes or

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other revenues to the state building bonding fund or authorizing expenditures from the fund shall not be amended or repealed or otherwise modified so as to impair the bonds to which the state building bonding fund is dedicated as provided in this section."

Section 5. Section 6-21C-6 NMSA 1978 (being Laws 2001, Chapter 199, Section 6) is amended to read:

"6-21C-6. AUTHORITY TO REFUND BONDS.--The New Mexico finance authority may issue and sell at public or private sale building bonds to refund outstanding building bonds by exchange, immediate or prospective redemption, cancellation or escrow, including the escrow of debt service funds accumulated for payment of outstanding bonds, or any combination thereof, when, in its opinion, such action will be beneficial to the state."

Section 6. Section 6-21C-7 NMSA 1978 (being Laws 2001, Chapter 199, Section 7) is amended to read:

"6-21C-7. BUILDING BONDS--FORM--EXECUTION.--

A. The New Mexico finance authority, except as otherwise specifically provided in the State Building Bonding Act, shall determine at its discretion the terms, covenants and conditions of building bonds, including, but not limited to, date of issue, denominations, maturities, rate or rates of interest, call features, call premiums, registration, refundability and other covenants covering the general and technical aspects of the issuance of the bonds.

B. The building bonds shall be in such form as the New Mexico finance authority may determine, and successive issues shall be identified by alphabetical, numerical or other proper series designation.

C. Building bonds shall be signed and attested by the secretary of the

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New Mexico finance authority and shall be executed with the facsimile signature of the chairman of the New Mexico finance authority and the facsimile seal of the New Mexico finance authority, except for bonds issued in book entry or similar form without the delivery of physical securities. Any interest coupons attached to the bonds shall bear the facsimile signature of the secretary of the New Mexico finance authority, which officer, by the execution of the bonds, shall adopt as his own signature the facsimile thereof appearing on the coupons. Except for bonds issued in book entry or similar form without the delivery of physical securities, the Uniform Facsimile Signature of Public Officials Act shall apply, and the New Mexico finance authority shall determine the manual signature to be affixed on the bonds."

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Section 7. Section 6-21C-8 NMSA 1978 (being Laws 2001, Chapter 199, Section 8) is amended to read:

"6-21C-8. PROCEDURE FOR SALE OF BUILDING BONDS.--

A. Building bonds shall be sold by the New Mexico finance authority at such times and in such manner as the authority may elect, consistent with the need of the property control division of the general services department or the office of cultural affairs, either at private sale for a negotiated price or to the highest bidder at public sale for cash at not less than par and accrued interest.

B. In connection with any public sale of building bonds, the New Mexico finance authority shall publish a notice of the time and place of sale in a newspaper of general circulation in the state and also in a recognized financial journal outside the state. Such publication shall be made once each week for two consecutive weeks prior to the date fixed for such sale, the last publication to be two business days prior to the date of sale. Such notice shall specify the amount, denomination, maturity and

description of the bonds to be offered for sale and the place, day and hour at which sealed bids therefor shall be received. All bids, except that of the state, shall be accompanied by a deposit of two percent of the principal amount of the bonds. Deposits of unsuccessful bidders shall be returned upon rejection of the bid. At the time and place specified in such notice, the New Mexico finance authority shall open the bids in public and shall award the bonds, or any part thereof, to the bidder or bidders offering the best price. The New Mexico finance authority may reject any or all bids and readvertise.

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C. The New Mexico finance authority may sell a building bond issue, or any part thereof, to the state or to one or more investment bankers or institutional investors at private sale."

Section 8. Section 6-21C-9 NMSA 1978 (being Laws 2001, Chapter 199, Section 9) is amended to read:

"6-21C-9. STATE BUILDING BONDING ACT IS FULL AUTHORITY FOR ISSUANCE OF BONDS--BONDS ARE LEGAL INVESTMENTS.--

A. The State Building Bonding Act shall, without reference to any other act of the legislature, be full authority for the issuance and sale of building bonds, which bonds shall have all the qualities of investment securities under the Uniform Commercial Code and shall not be invalid for any irregularity or defect or be contestable in the hands of bona fide purchasers or holders thereof for value.

B. Building bonds are legal investments for any person or board charged with the investment of any public funds and are acceptable as security for any deposit of public money."

Section 9. Section 6-21C-10 NMSA 1978 (being Laws 2001, Chapter 199,

Section 10) is amended to read:

"6-21C-10. SUIT MAY BE BROUGHT TO COMPEL PERFORMANCE OF OFFICERS.--Any holder of building bonds or any person or officer being a party in interest may sue to enforce and compel the performance of the provisions of the State Building Bonding Act."

Section 10. Section 6-21C-11 NMSA 1978 (being Laws 2001, Chapter 199,

Section 11) is amended to read:

"6-21C-11. BUILDING BONDS TAX EXEMPT.--All building bonds shall be exempt from taxation by the state or any of its political subdivisions."

Section 11. Section 7-1-6.42 NMSA 1978 (being Laws 2001, Chapter 199,

Section 12) is amended to read:

"7-1-6.42. DISTRIBUTION--STATE BUILDING BONDING FUND--GROSS RECEIPTS TAX.--A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the state building bonding fund in the amount of five hundred thousand dollars (\$500,000) from the net receipts attributable to the gross receipts tax imposed by the Gross Receipts and Compensating Tax Act. The distribution shall be made:

- A. after the required distribution pursuant to Section 7-1-6.4 NMSA 1978;
- B. contemporaneously with other distributions of net receipts attributable to the gross receipts tax for payment of debt service on outstanding bonds or to a fund dedicated for that purpose; and
- C. prior to any other distribution of net receipts attributable to the gross receipts tax."

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Section 12. TEMPORARY PROVISION--OUTSTANDING STATE OFFICE BUILDING TAX REVENUE BONDS--FUND BALANCES.--

A. Nothing in this act shall be deemed to impair state office building tax revenue bonds outstanding on the effective date of this act. For the purposes of the obligations incurred with respect to those bonds:

(1) the State Office Building Acquisition Bonding Act and the State Building Bonding Act are the same act. The provisions of the State Building Bonding Act apply to the same extent as the provisions of the State Office Building Acquisition Bonding Act applied prior to the effective date of this act; and

(2) the state office building bonding fund and the state building bonding fund are the same fund. Money in the state building bonding fund is pledged for the payment of principal and interest on those bonds to the same extent that the state office building bonding fund was pledged prior to the effective date of this act.

B. The state building bonding fund is a new name for the state office building bonding fund and is not a new fund created by this act. The purposes and balances of the state office building bonding fund as they existed before the effective date of this act remain the purposes and balances of the state building bonding fund.

Section 13. REPEAL.--Section 6-21C-2 NMSA 1978 (being Laws 2001, Chapter 496, Section 2) is repealed.

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