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HOUSE BILL 530

46TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2004

INTRODUCED BY

Jose A. Campos

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; AMENDING THE STATEWIDE
ECONOMIC DEVELOPMENT FINANCE ACT TO INCLUDE A NOT-FOR-PROFIT
CORPORATION WITHIN THE DEFINITION OF "ELIGIBLE ENTITY".

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

Section 1. Section 6-25-3 NMSA 1978 (being Laws 2003,
Chapter 349, Section 3) is amended to read:

"6-25-3. DEFINITIONS.--As used in the Statewide Economic
Development Finance Act:

A. "authority" means the New Mexico finance
authority;

B. "department" means the economic development
department;

C. "economic development bonds" or "bonds" means
bonds, notes or other instruments issued by the authority

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1 pursuant to the Statewide Economic Development Finance Act;

2 D. "economic development goal" means the retention
3 and expansion of existing business enterprises, the attraction
4 of new business enterprises or the creation and promotion of an
5 environment suitable for the support of start-up and emerging
6 business enterprises within the state, whether the business
7 enterprises are for-profit or not-for-profit;

8 E. "eligible entity" means the person operating a
9 project; "eligible entity" may include a not-for-profit
10 corporation or a for-profit business enterprise, including a
11 corporation, limited liability company, partnership or other
12 entity, determined by the department to be engaged in a project
13 enterprise that serves an economic development goal and is
14 suitable for financing assistance;

15 F. "financing assistance" means financing provided
16 by the authority to eligible entities pursuant to the Statewide
17 Economic Development Finance Act or the New Mexico Finance
18 Authority Act that may be in the form of economic development
19 bonds, loan participations or loan guarantees;

20 G. "local school district" means a school district
21 in which is located project property that has been or will be
22 exempted from property taxes pursuant to the Statewide Economic
23 Development Finance Act;

24 H. "mortgage" means a mortgage, deed of trust or
25 pledge of any assets as a collateral security;

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1 I. "opt-in agreement" means an agreement entered
2 into between the department and a qualifying county, a school
3 district and, if applicable, a qualifying municipality that
4 provides for county, local school district and, if applicable,
5 municipal approval of a project, subject to compliance with all
6 local zoning, permitting and other land use regulations, and
7 for payments in lieu of taxes to the qualifying county, local
8 school district and, if applicable, qualifying municipality as
9 provided by the Statewide Economic Development Finance Act;

10 J. "payment in lieu of taxes" means the total
11 annual payment, including any state in-lieu payment, paid as
12 compensation for the tax impact of a project, in an amount
13 negotiated and determined in the opt-in agreement between the
14 department and the qualifying county, the local school district
15 and, if applicable, the qualifying municipality, which payment
16 shall be distributed to the county, municipality and local
17 school district in the same proportion as property tax revenues
18 are normally distributed to those recipients;

19 K. "project" means the acquisition and use of land,
20 buildings, other improvements and other project property for
21 use by an eligible entity as:

22 (1) industrial facilities;

23 (2) commercial facilities, including
24 facilities for wholesale sales and services;

25 (3) health care facilities, including

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1 hospitals, clinics, laboratory facilities and related office
2 facilities;

3 (4) educational facilities, including schools;

4 (5) arts and cultural facilities, including
5 museums, theaters, arenas or assembly halls; and

6 (6) recreational and tourism facilities,
7 including parks, pools, trails, open space and equestrian
8 facilities;

9 L. "project property" means any land and
10 improvements thereon, buildings and improvements thereto,
11 machinery and equipment of all kinds necessary to the project,
12 operating capital and other personal property deemed necessary
13 in connection with the project;

14 M. "qualifying municipality or county" means a
15 municipality or county that enters into an opt-in agreement;

16 N. "state in-lieu payment" means an annual payment,
17 in an amount determined by the department, that will be
18 distributed to a qualifying county, a local school district
19 and, if applicable, a qualifying municipality in the same
20 proportion as property tax revenues are normally distributed to
21 those recipients; and

22 O. "tax impact of a project" means the annual
23 reduction in property tax revenue to affected property tax
24 revenue recipients directly resulting from the conveyance of
25 property to the department."

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