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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/31/18

SPONSOR Ingle/Pirtle LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Regional Air Center Special Economic District SB 180

ANALYST Martinez

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY18	FY19		
	See Fiscal Impact	See Fiscal Impact	See Fiscal Impact

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses NOT Received From

Economic Development Department

Taxation and Revenue Department

### SUMMARY

#### Synopsis of Bill

Senate Bill 180 creates the Regional Air Center Special Economic District Act. This Act allows for the formation of authorities to govern the districts allowing thus authority to issue revenue bonds, also allowing exemption from taxation to the state of New Mexico.

### FISCAL IMPLICATIONS

Senate Bill 180 does not contain an appropriation.

Section 7C states that property owned by the governing body of the regional Air Center Special Economic District, income derived from the property and the bonds, certificates and other evidence of indebtedness issued by an authority are exempt from taxation by the state of New Mexico.

## SIGNIFICANT ISSUES

Section 2: Purposes. Allows for the creation of an authority to own, operate and govern a special economic district consisting of an industrial air center and other related property.

Section 3: Provides definitions.

Section 4: Creation of a District. A municipality and county in which it resides may agree to form an industrial air center special economic district.

Section 5: Creation of an Authority: The authority shall consists of:

- Four members, only one can be an elected official, appointed by the municipality
  - Term for two members initially appointed by the municipality is two years, members subsequently appointed is four years.
- One member, not an elected official, appointed by the county
  - Term for the members initially appointed by the municipality is one year, members subsequently appointed is four years.
- Up to four other members added in accordance with Subsection D.
  - Term for all other members is four years.

Section 6: Powers and Duties.

Section 7: Revenue Bonds, Exemption from Taxation. An authority may issue revenue bonds to encourage the location of commercial, research or industrial or other enterprises to a district or acquire, purchase, lease, construct or improve commercial, research or industrial sites or buildings or make other capital improvements, including the construction or maintenance of energy or pollution abatement or control facilities, as necessary.

An authority may issue special facility revenue bonds backed by a long-term lease of the facility to finance specific tenant facility.

Property owned by an authority, income derived from the property and the bonds, certificates and other evidence of indebtedness issues by an authority are exempt from taxation by the state of New Mexico.

JM/al