

1 HOUSE BILL 353

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

3 INTRODUCED BY

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10 AN ACT

11 RELATING TO FINANCE; AUTHORIZING THE ISSUANCE OF BONDS SECURED  
12 BY A STATE GROSS RECEIPTS TAX INCREMENT FOR THE SOUTH CAMPUS  
13 TAX INCREMENT DEVELOPMENT DISTRICT; DECLARING AN EMERGENCY.

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

16 SECTION 1. AUTHORIZATION OF ISSUANCE OF BONDS.--The  
17 legislature authorizes the issuance of bonds not to exceed two  
18 hundred sixty-seven million dollars (\$267,000,000) in net  
19 proceeds as adjusted for inflation, secured by tax increments  
20 authorized pursuant to the Tax Increment for Development Act to  
21 be pledged to pay the principal of and interest on the bonds,  
22 including a gross receipts tax increment attributed to the  
23 imposition of the state gross receipts tax within the south  
24 campus tax increment development district, subject to the  
25 review and approval by the New Mexico finance authority of:

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1           A. the master indenture prior to issuance of any  
2 bonds; and

3           B. any amendments to the master indenture prior to  
4 issuance of any bonds after any amendments are made.

5           **SECTION 2. DURATION OF AUTHORIZATION.**--The duration of  
6 the authorization for issuance of bonds in this act shall be  
7 twenty-five years from the date of issuance of the first series  
8 of tax increment bonds of the district, unless and until this  
9 act is repealed or modified by the legislature.

10           **SECTION 3. CERTAIN CAPITAL PROJECTS PROHIBITED.**--

11           A. The legislature shall not approve or authorize  
12 any capital outlay projects within the south campus tax  
13 increment development district during the period in which any  
14 bonds issued by the district pursuant to Section 1 of this act  
15 are outstanding, except for buildings, facilities or  
16 infrastructure that are owned by the state or one of its  
17 agencies, institutions or political subdivisions and that are:

- 18                           (1) public school buildings or facilities;
- 19                           (2) higher education buildings or facilities;
- 20                           (3) cultural buildings or facilities;
- 21                           (4) buildings, facilities or infrastructure  
22 used for public safety; or
- 23                           (5) buildings, facilities or infrastructure  
24 used for other public purposes.

25           B. Nothing in this section prohibits the

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1 legislature from authorizing expenditures pursuant to law for  
2 economic development projects within the south campus tax  
3 increment development district during the period in which tax  
4 increment development bonds are outstanding.

5 SECTION 4. REDUCTION IN STATE GROSS RECEIPTS TAX

6 REVENUE.--Once the developer of the south campus tax increment  
7 development project has been fully reimbursed, regardless of  
8 the source of reimbursement, for the costs of eligible  
9 infrastructure, the south campus tax increment development  
10 district shall provide to the state board of finance the  
11 estimated amount of state gross receipts tax increment revenue  
12 required to pay the debt service on the district's outstanding  
13 bonds and to meet any required debt-service coverage and  
14 reserve requirements specified in the master indenture for any  
15 bonds payable from the state gross receipts tax increment. The  
16 board shall:

17 A. review that estimate;

18 B. determine:

19 (1) the reduced amount of state gross receipts  
20 tax increment revenue necessary each year to meet those  
21 requirements; and

22 (2) the reduction to the percentage of  
23 dedicated state gross receipts tax increment revenue  
24 corresponding to that reduced amount; and

25 C. notify the taxation and revenue department of

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1 the amount of that reduction, which shall take effect as soon  
2 as practicable after notification.

3 SECTION 5. EMERGENCY.--It is necessary for the public  
4 peace, health and safety that this act take effect immediately.

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