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HOUSE BILL 98

**49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010**

INTRODUCED BY

Jose A. Campos

FOR THE NEW MEXICO FINANCE AUTHORITY OVERSIGHT COMMITTEE

AN ACT

RELATING TO THE NEW MEXICO RENEWABLE ENERGY TRANSMISSION  
AUTHORITY; ADDING THE NEW MEXICO RENEWABLE ENERGY TRANSMISSION  
AUTHORITY TO THE LIST OF QUALIFIED ENTITIES FOR THE PURPOSES OF  
THE PUBLIC PROJECT REVOLVING FUND; AUTHORIZING RENEWABLE ENERGY  
TRANSMISSION BONDS TO BE SOLD AT, ABOVE OR BELOW PAR; PROVIDING  
FOR CONFIDENTIALITY OF CERTAIN PROPRIETARY INFORMATION.

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

Section 1. Section 6-21-3 NMSA 1978 (being Laws 1992,  
Chapter 61, Section 3, as amended) is amended to read:

"6-21-3. DEFINITIONS.--As used in the New Mexico Finance  
Authority Act:

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

B. "bond" means any bonds, notes, certificates of  
.179535.4SA

underscored material = new  
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1 participation or other evidence of indebtedness;

2 C. "bondholder" or "holder" means a person who is  
3 the owner of a bond, whether registered or not;

4 D. "emergency public project" means a public  
5 project:

6 (1) made necessary by an unforeseen occurrence  
7 or circumstance threatening the public health, safety or  
8 welfare; and

9 (2) requiring the immediate expenditure of  
10 money that is not within the available financial resources of  
11 the qualified entity as determined by the authority;

12 E. "public project" means the acquisition,  
13 construction, improvement, alteration or reconstruction of  
14 assets of a long-term capital nature by a qualified entity,  
15 including land; buildings; water rights; water, sewerage and  
16 waste disposal systems; streets; airports; municipal utilities;  
17 facilities eligible to be financed or acquired by the New  
18 Mexico renewable energy transmission authority; public  
19 recreational facilities; public transportation systems; parking  
20 facilities; and machinery, furniture and equipment. "Public  
21 project" includes all proposed expenditures related to the  
22 entire undertaking. "Public project" also includes the  
23 acquisition, construction or improvement of real property,  
24 buildings, facilities and other assets by the authority for the  
25 purpose of leasing the property;

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1           F. "qualified entity" means the state or an agency  
2 or institution of the state; or a county, municipality, school  
3 district, two-year public post-secondary educational  
4 institution, charter school, land grant corporation, acequia  
5 association, public improvement district, federally chartered  
6 college located in New Mexico, intercommunity water or natural  
7 gas supply association or corporation, special water, drainage,  
8 irrigation or conservancy district or other special district  
9 created pursuant to law, nonprofit foundation or other support  
10 organization affiliated with a public university, college or  
11 other higher educational institution located in New Mexico,  
12 including a university research park corporation, an Indian  
13 nation, tribe or pueblo located wholly or partially in New  
14 Mexico, including a political subdivision or a wholly owned  
15 enterprise of an Indian nation, tribe or pueblo or a consortium  
16 of those Indian entities or the New Mexico renewable energy  
17 transmission authority; or a consortium of any two or more  
18 qualified entities created pursuant to law; and

19           G. "security" or "securities", unless the context  
20 indicates otherwise, means bonds, notes or other evidence of  
21 indebtedness issued by a qualified entity or leases or  
22 certificates or other evidence of participation in the lessor's  
23 interest in and rights under a lease with a qualified entity  
24 and that are payable from taxes, revenues, rates, charges,  
25 assessments or user fees or from the proceeds of funding or

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1 refunding bonds, notes or other evidence of indebtedness of a  
2 qualified entity or from certificates or evidence of  
3 participation in a lease with a qualified entity."

4 Section 2. Section 62-16A-1 NMSA 1978 (being Laws 2007,  
5 Chapter 3, Section 1) is amended to read:

6 "62-16A-1. SHORT TITLE.--~~[Sections 1 through 15 of this~~  
7 ~~act]~~ Chapter 62, Article 16A NMSA 1978 may be cited as the "New  
8 Mexico Renewable Energy Transmission Authority Act"."

9 Section 3. Section 62-16A-9 NMSA 1978 (being Laws 2007,  
10 Chapter 3, Section 9) is amended to read:

11 "62-16A-9. PROCEDURE FOR SALE OF RENEWABLE ENERGY  
12 TRANSMISSION BONDS.--

13 A. Bonds shall be sold by the authority at such  
14 times and in such manner as the authority may elect, either at  
15 private sale for a negotiated price or to the highest bidder at  
16 public sale for cash at ~~[not less than]~~ par, above par or below  
17 par and accrued interest.

18 B. In connection with any public sale of the bonds,  
19 the authority shall publish a notice of the time and place of  
20 sale in a newspaper of general circulation in the state and  
21 also in a recognized financial journal outside the state. The  
22 publication shall be made once each week for two consecutive  
23 weeks prior to the date fixed for such sale, the last  
24 publication to be two business days prior to the date of sale.  
25 The notice shall specify the amount, denomination, maturity and

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1 description of the bonds to be offered for sale and the place,  
2 day and hour at which sealed bids therefore shall be received.  
3 All bids, except those of the state, shall be accompanied by a  
4 deposit of two percent of the principal amount of the bonds.  
5 Deposits of unsuccessful bidders shall be returned upon  
6 rejection of the bid. At the time and place specified in such  
7 notice, the authority shall open the bids in public and shall  
8 award the bonds, or any part thereof, to the bidder or bidders  
9 offering the best price. The authority may reject any or all  
10 bids and readvertise.

11 C. The authority may sell a bond issue, or any part  
12 thereof, to the state or to one or more investment bankers or  
13 institutional investors at private sale."

14 Section 4. A new section of the New Mexico Renewable  
15 Energy Transmission Authority Act is enacted to read:

16 "[NEW MATERIAL] PROPRIETARY INFORMATION.--Information  
17 obtained by the authority that is proprietary technical or  
18 business information shall be confidential and not subject to  
19 inspection pursuant to the Inspection of Public Records Act."

20 Section 5. EFFECTIVE DATE.--The effective date of the  
21 provisions of this act is July 1, 2010.