

1 SENATE BILL 435

2 **52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015**

3 INTRODUCED BY

4 Pete Campos

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10 AN ACT

11 RELATING TO PUBLIC FINANCE; AUTHORIZING THE ISSUANCE OF REVENUE
12 BONDS SECURED BY CIGARETTE TAX DISTRIBUTIONS FOR DEPARTMENT OF
13 HEALTH FACILITIES; MAKING AN APPROPRIATION.

14
15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

16 SECTION 1. Section 6-21-6.10 NMSA 1978 (being Laws 2005,
17 Chapter 58, Section 1) is amended to read:

18 "6-21-6.10. NEW MEXICO FINANCE AUTHORITY REVENUE BONDS--
19 PURPOSE--APPROPRIATION.--

20 A. The [~~New Mexico finance~~] authority may issue and
21 sell revenue bonds in compliance with the New Mexico Finance
22 Authority Act in an amount not exceeding two million five
23 hundred thousand dollars (\$2,500,000) for the behavioral health
24 capital fund to make loans to eligible entities for capital
25 projects pursuant to the Behavioral Health Capital Funding Act

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1 and the following provisions:

2 ~~[B-]~~ (1) the net proceeds from the sale of the
3 bonds are appropriated to the behavioral health capital fund
4 for the purposes described in ~~[Subsection A of]~~ this ~~[section]~~
5 subsection;

6 ~~[G-]~~ (2) the cigarette tax proceeds
7 distributed to the ~~[New Mexico finance]~~ authority pursuant to
8 Subsection D of Section 7-1-6.11 NMSA 1978 are appropriated to
9 the authority to be pledged irrevocably for the payment of the
10 principal, interest, premiums and related expenses on the bonds
11 and for payment of the expenses incurred by the authority
12 related to the issuance, sale and administration of the bonds;
13 and

14 ~~[D-]~~ (3) the cigarette tax proceeds
15 appropriated and distributed to the authority pursuant to
16 Subsection D of Section 7-1-6.11 NMSA 1978 shall be deposited
17 in a separate fund or account of the authority. Money in the
18 separate fund or account in excess of the amount necessary for
19 payment of principal and interest on the bonds and necessary
20 reserves or sinking funds may be transferred to any other
21 account of the authority and used for purposes of the New
22 Mexico Finance Authority Act.

23 B. The authority may issue and sell revenue bonds
24 in compliance with the New Mexico Finance Authority Act in an
25 amount specifically authorized by law for land acquisition and

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1 the planning, designing, construction and equipping of
2 department of health facilities or improvements to those
3 facilities when the secretary of health certifies that those
4 projects are a priority and to pay the costs associated with
5 issuing the bonds pursuant to the following provisions:

6 (1) the net proceeds from the sale of the
7 bonds are appropriated to the facilities management division of
8 the general services department for the projects certified by
9 the secretary of health;

10 (2) the cigarette tax proceeds distributed to
11 the authority pursuant to Subsection F of Section 7-1-6.11 NMSA
12 1978 are appropriated to the authority to be pledged
13 irrevocably for the payment of the principal, interest,
14 premiums and related expenses on the bonds and for payment of
15 the expenses incurred by the authority related to the issuance,
16 sale and administration of the bonds; and

17 (3) the cigarette tax proceeds appropriated
18 and distributed to the authority pursuant to Subsection F of
19 Section 7-1-6.11 NMSA 1978 shall be deposited in a separate
20 fund or account of the authority.

21 [~~E-~~] C. Any law authorizing the imposition,
22 collection or distribution of the cigarette tax or that
23 affects the cigarette tax shall not be amended, repealed or
24 otherwise directly or indirectly modified so as to impair or
25 reduce debt service coverage for any outstanding revenue

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1 bonds that may be secured by a pledge of those cigarette tax
2 revenues, unless the revenue bonds have been discharged in
3 full or provisions have been made for a full discharge.

4 D. In addition to the provisions of Paragraph (2)
5 of Subsection B of this section, the authority may secure the
6 revenue bonds issued pursuant to this section by a pledge of
7 money in the public project revolving fund with a lien
8 priority on the money in the public project revolving fund as
9 determined by the authority."

10 SECTION 2. A new section of the New Mexico Finance
11 Authority Act is enacted to read:

12 "[NEW MATERIAL] AUTHORIZATION FOR REVENUE BONDS--
13 DEPARTMENT OF HEALTH FACILITIES.--Pursuant to Subsection B of
14 Section 6-21-6.10 NMSA 1978 and the New Mexico Finance
15 Authority Act, the authority may issue and sell revenue
16 bonds, in addition to the amount allowed in Subsection A of
17 Section 6-21-6.10 NMSA 1978, in an amount not exceeding five
18 million dollars (\$5,000,000), plus an amount equal to the
19 costs of issuing the revenue bonds, for projects that the
20 secretary of health has certified are a priority."