

HOUSE TAXATION AND REVENUE COMMITTEE SUBSTITUTE FOR
HOUSE BILL 111

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

AN ACT

RELATING TO THE NEW MEXICO FINANCE AUTHORITY; CREATING THE
DISADVANTAGED COMMUNITY SUBACCOUNT WITHIN THE PUBLIC PROJECT
REVOLVING FUND; ALLOCATING MONEY FROM THE PUBLIC PROJECT
REVOLVING FUND TO THE DISADVANTAGED COMMUNITY SUBACCOUNT.

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

Section 1. A new section of the New Mexico Finance
Authority Act is enacted to read:

"[NEW MATERIAL] DISADVANTAGED COMMUNITY SUBACCOUNT--
CREATED--PURPOSE.--

A. The "disadvantaged community subaccount" is
created within the public project revolving fund and shall be
administered by the authority. The subaccount consists of
allocations made to the subaccount from the public project
revolving fund and other money appropriated by the legislature

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underscoring material = new
[bracketed material] = delete

1 or distributed or otherwise allocated to the subaccount for the
2 purpose of supporting disadvantaged community projects.

3 B. The authority may establish procedures and adopt
4 rules subject to the approval of the New Mexico finance
5 authority oversight committee to administer the disadvantaged
6 community subaccount and to originate loans for disadvantaged
7 community projects approved by the authority. To protect
8 public money in the subaccount or other public resources, rules
9 of the authority shall describe the means of recovering public
10 money or other public resources if a disadvantaged community
11 defaults on its obligations to the authority.

12 C. As used in this section:

13 (1) "disadvantaged community" means a
14 qualified entity as defined in the New Mexico Finance Authority
15 Act and meeting the criteria for disadvantaged status as
16 determined by rule of the authority that is approved by the New
17 Mexico finance authority oversight committee; and

18 (2) "disadvantaged community project" means a
19 public project in a disadvantaged community."

20 Section 2. Section 6-21-6.1 NMSA 1978 (being Laws 1994,
21 Chapter 145, Section 2, as amended) is amended to read:

22 "6-21-6.1. PUBLIC PROJECT REVOLVING FUND--APPROPRIATIONS
23 TO OTHER FUNDS.--

24 A. The authority and the department of environment
25 may enter into a joint powers agreement pursuant to the Joint

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1 Powers Agreements Act for the purpose of describing and
2 allocating duties and responsibilities with respect to creation
3 of an integrated loan and grant program to be financed through
4 issuance of bonds payable from the public project revolving
5 fund. The bonds may be issued in installments or at one time
6 by the authority in amounts authorized by law. The aggregate
7 amount of bonds authorized and outstanding pursuant to this
8 subsection shall not be greater than the amount of bonds that
9 may be annually repaid from an amount not to exceed thirty-five
10 percent of the governmental gross receipts tax proceeds
11 distributed to the public project revolving fund in the
12 preceding fiscal year. The net proceeds may be used for
13 purposes of the ~~[water and wastewater]~~ local government
14 planning fund and the water and wastewater project grant fund
15 as specified in the New Mexico Finance Authority Act or for
16 purposes of the Wastewater Facility Construction Loan Act, the
17 Rural Infrastructure Act, the Solid Waste Act or the Drinking
18 Water State Revolving Loan Fund Act.

19 B. Public projects funded pursuant to the
20 Wastewater Facility Construction Loan Act, the Rural
21 Infrastructure Act, the Solid Waste Act or the Drinking Water
22 State Revolving Loan Fund Act shall not require specific
23 authorization by law as required in Sections 6-21-6 and 6-21-8
24 NMSA 1978.

25 C. At the end of each fiscal year, after all debt

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1 service charges, replenishment of pledged reserves and
2 administrative costs on all outstanding bonds, notes or other
3 obligations payable from the public project revolving fund are
4 satisfied, an aggregate amount not to exceed thirty-five
5 percent of the governmental gross receipts tax proceeds
6 distributed to the public project revolving fund in the
7 preceding fiscal year less all debt service charges and
8 administrative costs of the authority paid in the preceding
9 fiscal year on bonds issued pursuant to this section may be
10 appropriated by the legislature from the public project
11 revolving fund to the following funds for local infrastructure
12 financing:

13 (1) the wastewater facility construction loan
14 fund for purposes of the Wastewater Facility Construction Loan
15 Act;

16 (2) the rural infrastructure revolving loan
17 fund for purposes of the Rural Infrastructure Act;

18 (3) the solid waste facility grant fund for
19 purposes of the Solid Waste Act;

20 (4) the drinking water state revolving loan
21 fund for purposes of the Drinking Water State Revolving Loan
22 Fund Act;

23 (5) the water and wastewater project grant
24 fund for purposes specified in the New Mexico Finance Authority
25 Act; or

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