

LFC Requester:	Caroline Malone
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**AGENCY BILL ANALYSIS
2015 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply: Date Jan. 29, 2015
Original **Amendment** **Bill No:** SB 319
Correction **Substitute**

Sponsor: Sen. Carroll Leavell **Agency Code:** Attorney General's Office - 305
Short County IRB Projects & **Person Writing** Joseph Dworak
Title: Complaint Process **Phone:** 827-6986 **Email** jdworak@nmag.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY15	FY16		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY15	FY16	FY17		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
 Duplicates/Relates to Appropriation in the General Appropriation Act:

SECTION III: NARRATIVE

This analysis is neither a formal Attorney General’s Opinion nor an Attorney General’s Advisory Letter. This is a staff analysis in response to an agency’s, committee’s, or legislator’s request.

BILL SUMMARY

Synopsis: Senate Bill 319 would amend the County Industrial Bond (“IRB”) Act by expanding the definition of suitable industries for IRB projects and placing a limit on the time available to the Board of Finance for review of complaints before a bond may be issued. Specifically, SB 319 amends:

- 1) 4-59-2(F) – expanding the definition of suitable industries eligible for IRB projects by adding a new clause, “an industry for the extractive phase of mining or energy development, including refining and processing”, and by incorporating business that supply housing as a permissible suitable industry.
- 2) 4-59-15 – places a condition on the Board of Finance’s review of IRB complaints lodged by local business opposed to proposed projects, permitting a county to issue the bond if the Board of Finance does not issue a determination within sixty (60) days after the complaint is filed.

FISCAL IMPLICATIONS

The Attorney General’s Office provides legal services to the Board of Finance, but it is uncertain whether the 60-day timeline for review would require additional work from our office.

SIGNIFICANT ISSUES

See other issues, below.

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

The Attorney General provides legal services to the Board of Finance but SB 1319 will unlikely result in any significant increase in additional staff time.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

- SB 111 – Repeal County IRB Complaint Process (Sen. Leavell)

SB 111 repeals NMSA 1978, Section 4-59-15, a section of the IRB Act which allows nearby businesses to file a complaint with the county governing body that the proposed IRB project would “directly or substantially compete” with the existing business. The IRB funds are withheld until the State Board of Finance can review the complaint and determine that the proposed project does not directly or substantially compete with the existing business.

- SB 131 – Local Gov’t IRB Notices & Impacts (Sen. Stewart)

SB 131 would require municipalities and counties to notify other local property tax levying entities before taking any action on issuing IRBs. The bill also provides a mechanism for local school districts to negotiate and receive payment in lieu of taxes.

TECHNICAL ISSUES

See issues below.

OTHER SUBSTANTIVE ISSUES

HB 319 proposes a timeline for review by the Board of Finance, requiring any determination to be made “within sixty days after the complaint is filed.” The same clause requires that a written complaint be “filed with the county governing body at the meeting [the bond is authorized].” The concern here stems from the possibility that a county may wait to forward the complaint to the BOF, resulting in a shortened window of time for its review.

A recommendation would be either 1) add a requirement that a county forward the complaint to the BOF within a set number of days after it is filed at its meeting to adopt, or 2) set the 60 day time requirement to the date in which the complaint is received from the county by the BOF.

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo

AMENDMENTS

N/A