HOUSE BILL 337

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

INTRODUCED BY

Jim R. Trujillo

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AN ACT

RELATING TO CAPITAL EXPENDITURES; ENACTING THE WORK NEW MEXICO ACT; AUTHORIZING THE ISSUANCE OF SEVERANCE TAX BONDS; AUTHORIZING EXPENDITURES FROM CERTAIN FUNDS AND BALANCES; CLARIFYING CONDITIONS FOR THE ISSUANCE OF BONDS; ESTABLISHING CONDITIONS FOR THE EXPENDITURE OF SEVERANCE TAX BOND PROCEEDS; ESTABLISHING CONDITIONS FOR THE REVERSION OF UNEXPENDED BALANCES; MAKING APPROPRIATIONS; DECLARING AN EMERGENCY.

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

SECTION 1. SHORT TITLE.--This act may be cited as the "Work New Mexico Act".

SECTION 2. SEVERANCE TAX BONDS--AUTHORIZATIONS--APPROPRIATION OF PROCEEDS.--

A. The state board of finance may issue and sell severance tax bonds in compliance with the Severance Tax

Bonding Act in an amount not to exceed the total of the amounts authorized for purposes specified in this act. The state board of finance shall schedule the issuance and sale of the bonds in the most expeditious and economical manner possible upon a finding by the board that the project has been developed sufficiently to justify the issuance and that the project can proceed to contract within a reasonable time. The state board of finance shall further take the appropriate steps necessary to comply with the federal Internal Revenue Code of 1986, as amended. Proceeds from the sale of the bonds are appropriated for the purposes specified in this act.

- B. The agencies named in this act shall certify to the state board of finance when the money from the proceeds of the severance tax bonds appropriated in this section is needed for the purposes specified in the applicable section of this act. If an agency has not certified the need for severance tax bond proceeds for a particular project, including projects that have been reauthorized, by the end of fiscal year 2015, the authorization for that project is void.
- C. Before an agency may certify for the need of severance tax bond proceeds, the project must be developed sufficiently so that the agency reasonably expects to:
- (1) incur within six months after the applicable bond proceeds are available for the project a substantial binding obligation to a third party to expend at

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least five percent of the bond proceeds for the project; and

- spend at least eighty-five percent of the bond proceeds within three years after the applicable bond proceeds are available for the project.
- Except as otherwise specifically provided by D. law:
- (1) the unexpended balance from the proceeds of severance tax bonds appropriated in this act for a project shall revert to the severance tax bonding fund no later than the following dates:
- for a project for which severance (a) tax bond proceeds were appropriated to match federal grants, six months after completion of the project;
- (b) for a project for which severance tax bond proceeds were appropriated to purchase vehicles, including emergency vehicles and other vehicles that require special equipment; heavy equipment; books; educational technology; or other equipment or furniture that is not related to a more inclusive construction or renovation project, at the end of the fiscal year two years following the fiscal year in which the severance tax bond proceeds were made available for the purchase; and
- (c) for any other project for which severance tax bonds were appropriated, within six months of completion of the project, but no later than the end of fiscal .191921.1

year 2017; and

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- (2) all remaining balances from the proceeds of severance tax bonds appropriated for a project in this act shall revert to the severance tax bonding fund three months after the latest reversion date specified for that type of project in Paragraph (1) of this subsection.
- Except for appropriations to the capital program fund, money from severance tax bond proceeds provided pursuant to this act shall not be used to pay indirect project costs.
- Except for a project that was originally funded using a tax-exempt loan or bond issue, a project involving repayment of debt previously incurred shall be funded through the issuance of taxable severance tax bonds with a term that does not extend beyond the fiscal year in which they are issued.
- For the purpose of this section, "unexpended balance" means the remainder of an appropriation after reserving for unpaid costs and expenses covered by binding written obligations to third parties.
- SECTION 3. BERNALILLO COUNTY METROPOLITAN COURT PROJECT --SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 2 of this act, upon certification by the Bernalillo county metropolitan court that the need exists for the issuance of the bonds, nine hundred ninety thousand dollars (\$990,000) is appropriated to the Bernalillo county metropolitan court to

plan, design and construct public restroom facilities and egress access on the fourth floor of the Bernalillo county metropolitan courthouse in Albuquerque in Bernalillo county.

SECTION 4. CAPITAL PROGRAM FUND PROJECTS--SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 2 of this act, upon certification by the property control division of the general services department that the need exists for the issuance of the bonds, the following amounts are appropriated to the capital program fund for the following purposes:

- 1. three million dollars (\$3,000,000) for building repairs, including ventilation modifications, at the state scientific laboratory building in Albuquerque in Bernalillo county;
- 2. two million dollars (\$2,000,000) to plan, design, construct, equip and furnish infrastructure improvements to existing youth diagnostic and development center facilities in support of the Cambiar objectives, including improvements to comply with the Americans with Disabilities Act of 1990 and for accessibility, security and a centralized waste removal system, in Albuquerque in Bernalillo county;
- 3. four million eight hundred thousand dollars (\$4,800,000) for heating, ventilation and air conditioning system upgrades at the central New Mexico correctional facility in Valencia county and the western New Mexico correctional .191921.1

facility in Cibola county;

- 4. four million five hundred thousand dollars (\$4,500,000) for patient health and safety upgrades at the New Mexico behavioral health institute in Las Vegas in San Miguel county, at the New Mexico state veterans' home in Truth or Consequences in Sierra county, at the Sequoyah facility in Albuquerque in Bernalillo county and at the Los Lunas facility in Valencia county; and for renovation and upgrades to isolation rooms, the kitchen and laundry and heating, ventilation and air conditioning upgrades at Fort Bayard medical center in Santa Clara in Grant county;
- 5. five million dollars (\$5,000,000) for facilities upgrades at the New Mexico behavioral health institute in Las Vegas in San Miguel county, at the New Mexico state veterans' home in Truth or Consequences in Sierra county and at the Sequoyah facility in Albuquerque in Bernalillo county;
- 6. three million five hundred twenty thousand dollars (\$3,520,000) for renovation and construction of the state police district office in Espanola in Rio Arriba county;
- 7. eight hundred eleven thousand dollars (\$811,000) for constructing and equipping the state police district office, including a secondary access road, in Las Vegas in San Miguel county;
- 8. two million five hundred thousand dollars (\$2,500,000) to demolish the old Meadows building, including .191921.1

rerouting utilities, excavation and other site improvements, in preparation for phase 3 of the new Meadows building at the New Mexico behavioral health institute in Las Vegas in San Miguel county;

- 9. six hundred thousand dollars (\$600,000) for renovations at the dormitories, including upgrading fire suppression and heating, ventilation and air conditioning systems, at the New Mexico law enforcement academy in Santa Fe county;
- 10. six million dollars (\$6,000,000) to make repairs at correctional facilities statewide to correct safety hazards and address operational interruptions and facility deterioration;
- 11. four million dollars (\$4,000,000) to decommission and demolish unusable state facilities statewide, including abatement of the rehabilitation center in Roswell in Chaves county and the old Fort Bayard medical center in Grant county; and
- 12. eight million dollars (\$8,000,000) for renovations and infrastructure upgrades at state buildings statewide.
- SECTION 5. CULTURAL AFFAIRS DEPARTMENT PROJECTS-SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 2
 of this act, upon certification by the cultural affairs
 department that the need exists for the issuance of the bonds,
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the following amounts are appropriated to the cultural affairs department for the following purposes:

- 1. seven million dollars (\$7,000,000) for project completion, for purchasing equipment for museums and monuments statewide and for a master plan and design of Santa Fe facilities in Santa Fe county; and
- 2. five million dollars (\$5,000,000) for critical repairs, upgrades and renovations at museums and monuments statewide.

SECTION 6. OFFICE OF THE STATE ENGINEER PROJECT-SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 2
of this act, upon certification by the office of the state
engineer that the need exists for the issuance of the bonds,
six million four hundred thousand dollars (\$6,400,000) is
appropriated to the office of the state engineer for
construction and rehabilitation of the dam in Springer in
Colfax county.

SECTION 7. STATE FAIR COMMISSION PROJECT--SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 2 of this act, upon certification by the state fair commission that the need exists for the issuance of the bonds, three million dollars (\$3,000,000) is appropriated to the state fair commission to plan, design and construct infrastructure improvements and deferred maintenance to facilities at the New Mexico state fairgrounds in Albuquerque in Bernalillo county.

SECTION 8. HIGHER EDUCATION DEPARTMENT PROJECT--SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 2 of this act, upon certification by the higher education department that the need exists for the issuance of the bonds, three million dollars (\$3,000,000) is appropriated to the higher education department to design, construct, furnish and equip, including erosion control improvements, the school of energy at San Juan college in Farmington in San Juan county.

SECTION 9. EASTERN NEW MEXICO UNIVERSITY PROJECT-SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 2
of this act, upon certification by the board of regents of
eastern New Mexico university that the need exists for the
issuance of the bonds, five million dollars (\$5,000,000) is
appropriated to the board of regents of eastern New Mexico
university for renovations of the Jack Williamson liberal arts
building at eastern New Mexico university in Portales in
Roosevelt county.

SECTION 10. NEW MEXICO HIGHLANDS UNIVERSITY PROJECT-SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 2
of this act, upon certification by the board of regents of New
Mexico highlands university that the need exists for the
issuance of the bonds, two million three hundred thousand
dollars (\$2,300,000) is appropriated to the board of regents of
New Mexico highlands university to plan, design, construct,
renovate and equip infrastructure improvements to the Trolley

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building and other facilities at New Mexico highlands university in Las Vegas in San Miguel county.

SECTION 11. NEW MEXICO INSTITUTE OF MINING AND TECHNOLOGY PROJECT--SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 2 of this act, upon certification by the board of regents of New Mexico institute of mining and technology that the need exists for the issuance of the bonds, six million dollars (\$6,000,000) is appropriated to the board of regents of New Mexico institute of mining and technology to plan, design, construct, equip and furnish a geology facility at New Mexico institute of mining and technology in Socorro in Socorro county.

NEW MEXICO STATE UNIVERSITY PROJECT --SECTION 12. SEVERANCE TAX BONDS. -- Pursuant to the provisions of Section 2 of this act, upon certification by the board of regents of New Mexico state university that the need exists for the issuance of the bonds, four million dollars (\$4,000,000) is appropriated to the board of regents of New Mexico state university to plan and construct additions and infrastructure improvements at Hardman and Jacob halls at New Mexico state university in Las Cruces in Dona Ana county, of which two hundred fifty thousand dollars (\$250,000) shall be expended to plan, design, prepare the site for, make improvements to utility infrastructure and construct or purchase and install modular units for dormitory facilities at the southwest center for rangeland sustainability

in Corona in Lincoln county.

SECTION 13. UNIVERSITY OF NEW MEXICO PROJECTS--SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 2 of this act, upon certification by the board of regents of the university of New Mexico that the need exists for the issuance of the bonds, the following amounts are appropriated to the board of regents of the university of New Mexico for the following purposes:

- 1. six million dollars (\$6,000,000) for phase 2 renovations of the science and math learning center at the university of New Mexico in Albuquerque in Bernalillo county; and
- 2. one million five hundred thousand dollars (\$1,500,000) to construct the core student success center at the Taos branch of the university of New Mexico in Taos county.

SECTION 14. WESTERN NEW MEXICO UNIVERSITY PROJECT-SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 2
of this act, upon certification by the board of regents of
western New Mexico university that the need exists for the
issuance of the bonds, two million five hundred thousand
dollars (\$2,500,000) is appropriated to the board of regents of
western New Mexico university to plan, design, construct,
renovate, equip and landscape Light hall and make
infrastructure improvements at western New Mexico university in
Silver City in Grant county.

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SECTION 15. PROJECT SCOPE--EXPENDITURES.--If an appropriation for a project authorized in this act is not sufficient to complete all the purposes specified, the appropriation may be expended for any portion of the purposes specified in the appropriation. Expenditures shall not be made for purposes other than those specified in the appropriation.

SECTION 16. ART IN PUBLIC PLACES. -- Pursuant to Section 13-4A-4 NMSA 1978 and where applicable, the appropriations authorized in this act include one percent for the art in public places fund.

SECTION 17. EMERGENCY.--It is necessary for the public peace, health and safety that this act take effect immediately.

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