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HOUSE BILL 92

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

INTRODUCED BY

Larry A. Larrañaga

AN ACT

RELATING TO CAPITAL EXPENDITURES; CREATING A FUND; AUTHORIZING
THE ISSUANCE OF SEVERANCE TAX BONDS FOR TRANSPORTATION
PROJECTS; MAKING AN APPROPRIATION.

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

SECTION 1. A new section of Chapter 67, Article 3 NMSA
1978 is enacted to read:

"[NEW MATERIAL] TRANSPORTATION PROJECTS IDENTIFIED--
ECONOMIC GROWTH AND ENERGY DEVELOPMENT TRANSPORTATION FUND--
CREATED.--

A. By August 1 of each year, the economic
development department shall identify and create a list of
projects within the statewide transportation improvement plan
that are critical to local economic development or the
development of energy mineral resources.

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1 B. The "economic growth and energy development
2 transportation fund" is created in the state treasury. The
3 fund shall be administered by the department of transportation
4 and is appropriated for the purposes set out in this section.
5 The department of transportation may establish procedures and
6 adopt rules as required to administer the fund. The fund shall
7 consist of money from the proceeds of the sale of severance tax
8 bonds issued pursuant to Section 2 of this 2015 act and any
9 other money appropriated, donated or otherwise accrued to the
10 fund. The state treasurer shall create a subaccount in the
11 fund for proceeds from the sale of severance tax bonds.
12 Balances in the fund from sources other than the proceeds from
13 the sale of severance tax bonds shall not revert to any other
14 fund at the end of a fiscal year. Balances in the severance
15 tax bond subaccount shall revert to the severance tax bonding
16 fund at the end of fiscal year 2024.

17 C. The money in the economic growth and energy
18 development transportation fund shall be used for the following
19 purposes:

20 (1) ninety-five percent of the funds shall be
21 used for planning, design and construction of projects within
22 the statewide transportation improvement plan identified by the
23 economic development department pursuant to the provisions of
24 Subsection A of this section; and

25 (2) five percent of the funds shall be

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1 dedicated to support the acquisition of facilities and vehicles
2 by county and municipal governments for public transportation
3 programs."

4 SECTION 2. [NEW MATERIAL] SEVERANCE TAX BONDS--PURPOSE
5 FOR WHICH ISSUED--APPROPRIATION OF PROCEEDS.--The state board
6 of finance may issue and sell severance tax bonds in fiscal
7 years 2016 through 2020 in compliance with the Severance Tax
8 Bonding Act in an amount not exceeding three hundred million
9 dollars (\$300,000,000) when the department of transportation
10 certifies the need for the issuance of the bonds; provided that
11 no more than sixty million dollars (\$60,000,000) may be issued
12 in any one fiscal year. The proceeds from the sale of the
13 bonds are appropriated to the economic growth and energy
14 development transportation fund pursuant to Section 1 of this
15 2015 act for the purposes of the fund. The state board of
16 finance shall schedule the issuance and sale of bonds in the
17 most expeditious and economical manner possible upon a finding
18 by the board, based upon the certification from the department
19 of transportation, that the proceeds of the bonds are needed
20 and that construction on the projects will begin within a
21 reasonable time after the bonds are sold. The state board of
22 finance shall further take the appropriate steps necessary to
23 comply with the federal Internal Revenue Code of 1986, as
24 amended. Any unexpended or unencumbered balance remaining at
25 the end of fiscal year 2024 shall revert to the severance tax

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1 bonding fund. If the department of transportation has not
2 certified the need for the issuance of the bonds by the end of
3 fiscal year 2020, the authorization provided in this section
4 shall expire.

5 SECTION 3. EFFECTIVE DATE.--The effective date of the
6 provisions of this act is July 1, 2015.

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