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HOUSE BILL 21

44TH LEGISLATURE - STATE OF NEW MEXICO - 2ND SPECIAL SESSION, 2000

INTRODUCED BY

Raymond G. Sanchez

AN ACT

RELATING TO SEVERANCE TAX BONDS; AMENDING AN AUTHORIZATION FOR CERTAIN SEVERANCE TAX BONDS TO CLARIFY THE REQUIREMENTS FOR MATCHING FUNDS; DECLARING AN EMERGENCY.

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

Section 1. Section 7-27-12.1 NMSA 1978 (being Laws 1999 (1st S.S.), Chapter 5, Section 1) is amended to read:

"7-27-12.1. SEVERANCE TAX BONDS--PURPOSE FOR WHICH ISSUED--APPROPRIATION OF PROCEEDS.--The state board of finance may issue and sell severance tax bonds in fiscal years 2001 through 2010 in compliance with the Severance Tax Bonding Act in an amount not exceeding a total of twenty million dollars (\$20,000,000) when the local government division of the department of finance and administration certifies the need for the issuance of the bonds; provided that no more than four million dollars (\$4,000,000) may be issued in fiscal year 2001 and no more than two million

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1 dollars (\$2,000,000) may be issued in any one fiscal year
2 thereafter. The state board of finance shall schedule the
3 issuance and sale of the bonds in the most expeditious and
4 economical manner possible upon a finding by the board that
5 the project has been developed sufficiently to justify the
6 issuance and that the project can proceed to contract within
7 a reasonable time. The state board of finance shall further
8 take the appropriate steps necessary to comply with the
9 Internal Revenue Code of 1986, as amended. The proceeds from
10 the sale of the bonds are appropriated to the local
11 government division of the department of finance and
12 administration for the purpose of financing water and sewer
13 distribution and collection systems in the developed and
14 underserved areas of Bernalillo county, including areas in
15 the city of Albuquerque. The certification and issuance of
16 bonds for any fiscal year is contingent upon the secretary of
17 finance and administration receiving certification from the
18 governing body of the city of Albuquerque and the board of
19 county commissioners of Bernalillo county that funding in an
20 amount equal to four and one-half times the amount of bonds
21 issued pursuant to this section, including the amount of
22 bonds proposed to be issued for that fiscal year, has been
23 secured from federal, city and county sources to construct
24 the water and sewer distribution and collection systems. Any
25 funding from federal, city and county sources in excess of
the amount required for certification in any fiscal year may
be carried forward and credited against the amount required

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1 in subsequent fiscal years. Any unexpended or unencumbered
2 balance remaining at the end of fiscal year 2012 shall revert
3 to the severance tax bonding fund. If the local government
4 division of the department of finance and administration has
5 not certified the need for the issuance of the bonds by the
6 end of fiscal year 2010, the authorization provided in this
7 section shall expire."

8 Section 2. EMERGENCY.--It is necessary for the public
9 peace, health and safety that this act take effect
10 immediately.

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