HOUSE TAXATION AND REVENUE COMMITTEE SUBSTITUTE FOR HOUSE BILL 950

45TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2001

AN ACT

RELATING TO THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE;

CREATING THE TRIBAL INFRASTRUCTURE FUND; PROVIDING FOR

DISTRIBUTION OF CERTAIN INDIAN GAMING REVENUES; ESTABLISHING A

TRIBAL INFRASTRUCTURE PAYMENT PROGRAM: MAKING APPROPRIATIONS.

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

Section 1. SHORT TITLE.--This act may be cited as the "Tribal Infrastructure Act".

Section 2. DEFINITIONS. -- As used in the Tribal Infrastructure Act:

- A. "fund" means the tribal infrastructure fund; and
- B. "tribe" means an Indian nation, tribe or pueblo located in New Mexico that has entered into a tribal-state gaming compact with the state of New Mexico approved by the

first session of the forty-fifth legislature and affirmatively approved by the secretary of the interior.

Section 3. TRIBAL INFRASTRUCTURE FUND. --

A. The "tribal infrastructure fund" is created in the state treasury and shall be administered by the department of finance and administration. The fund shall consist of money appropriated to the fund from Indian gaming revenue-sharing payments and payments from the settlement of State of New Mexico v. Jicarilla Apache Tribe, et al. Money in the fund shall be used to make payments to tribes for reimbursement of tribal infrastructure expenditures pursuant to the Tribal Infrastructure Act and to fund the administration of the tribal infrastructure payment program.

- B. Separate accounts shall be created within the fund for each tribe. An amount of money shall be deposited in each account in accordance with the provisions of Section 4 of the Tribal Infrastructure Act. Money in each tribe's account shall be available solely for reimbursement of eligible infrastructure expenditures made by that tribe and the costs of administering the tribal infrastructure payment program.
- C. Earnings from investment of the tribal infrastructure fund shall accrue to the fund. Balances in the fund at the end of any fiscal year shall not revert to the general fund but shall remain in the fund for the purposes of

the fund.

Section 4. DETERMINATION OF ELIGIBLE TRIBAL INFRASTRUCTURE AMOUNTS. --

- A. A tribe shall be eligible for fifty percent of the following amounts certified by the attorney general:
- (1) the total amount of all payments made by the tribe to the state of New Mexico pursuant to a revenuesharing agreement authorized by Section 11-13-2 NMSA 1978; and
- (2) the sum of all payments the tribe has agreed to make to the state of New Mexico pursuant to the terms of the settlement agreement of State of New Mexico v. Jicarilla Apache Tribe, et al.
- B. Fifty percent of every payment made by a tribe pursuant to the terms of the settlement agreement of State of New Mexico v. Jicarilla Apache Tribe, et al. and deposited in the general fund shall be transferred to the fund and credited to the account of the tribe making the payment and is appropriated to the New Mexico office of Indian affairs to make payments to that tribe for reimbursement of eligible infrastructure expenditures, and to pay related administrative costs pursuant to the Tribal Infrastructure Act.
- C. Twenty-five percent of all quarterly revenuesharing payments made pursuant to a tribal-state gaming compact entered into by tribes with the state of New Mexico after

January 1, 2001 shall be deposited in the fund and allocated to the tribes' accounts in proportion to the total amount that each tribe is certified to have paid pursuant to Paragraph (1) of Subsection A of this section, and the money is appropriated to the New Mexico office of Indian affairs to make payments to tribes for reimbursement of eligible infrastructure expenditures, and to pay related administrative costs pursuant to the Tribal Infrastructure Act. The distribution from the quarterly revenue-sharing payments shall cease when an amount has been distributed that is equal to fifty percent of the amount certified by the attorney general to have been paid by the tribes pursuant to a revenue-sharing agreement authorized by Section 11-13-2 NMSA 1978.

Section 5. TRIBAL INFRASTRUCTURE PAYMENT PROGRAM
ESTABLISHED--OFFICE OF INDIAN AFFAIRS.--

A. The New Mexico office of Indian affairs shall establish a tribal infrastructure payment program to make payments from the fund for reimbursement of eligible tribal infrastructure expenditures. The office shall develop a process, procedures and forms for tribes to apply for payment of eligible tribal infrastructure expenditures and for review and determination of eligibility for payment. To be eligible for reimbursement, the tribe must have made the expenditures for eligible infrastructure after January 1, 2001.

7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

25

1

2

3

4

5

6

B. The following infrastructure expenditures are eligible for reimbursement if they are made for any tribal activity, purpose or program other than a gaming-related activity or purpose:

- (1) planning, designing, engineering, constructing, repairing, renovating, acquiring, equipping or furnishing buildings or other facilities or structures, including the improvement or equipping of the grounds surrounding the buildings, facilities or structures;
- (2) construction, acquisition or improvements to water or wastewater facilities or systems, including water or sewer lines, storm sewers and other drainage improvements;
 - (3) utilities;
- (4) construction and improvement of roads and streets, including acquisition of rights of way and parking facilities;
 - (5) acquisition of vehicles;
- (6) acquisition of computers and other related technology, software, books and other materials;
- (7) any other similar capital outlay for tribal purposes; and
- (8) any indebtedness, including bonds, loans and interest on such debt, incurred for any of the eligible infrastructure purposes in this section.

C. The actual costs incurred by the New Mexico office of Indian affairs to administer the tribal infrastructure payment program, not to exceed one hundred thousand dollars (\$100,000) in any fiscal year, shall be paid from the fund. The administrative costs shall be paid proportionately from each tribe's account.

D. Payments shall be made to the tribes on warrants

D. Payments shall be made to the tribes on warrants issued by the department of finance and administration pursuant to vouchers issued by the New Mexico office of Indian affairs. The department together with the office shall develop a vouchering system and procedures for making payments to the tribes in a timely manner.

Section 6. REPORT TO LEGISLATURE. -- The New Mexico office of Indian affairs shall report annually to the appropriate interim committee and the legislative finance committee on the payments made to tribes, including the tribal purposes for which eligible expenditures were made.

- 6 -

. 137594. 3