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SENATE BILL 561

47TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2006

INTRODUCED BY

John Arthur Smith

AN ACT

RELATING TO COURT BUILDINGS; AUTHORIZING THE ISSUANCE OF SEVERANCE TAX BONDS; 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. 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 Section 2 of this act.

The state board of finance shall schedule the issuance and sale
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1 of the bonds in the most expeditious and economical manner
2 possible upon a finding by the board that the project has been
3 developed sufficiently to justify the issuance and that the
4 project can proceed to contract within a reasonable time. The
5 state board of finance shall further take the appropriate steps
6 necessary to comply with the Internal Revenue Code of 1986, as
7 amended. Proceeds from the sale of the bonds are appropriated
8 for the purposes specified in this act.

9 B. The local government division of the department
10 of finance and administration shall certify to the state board
11 of finance when the money from the proceeds of the severance
12 tax bonds authorized in Section 2 of this act is needed for the
13 purposes specified in that section. If the division has not
14 certified the need for the issuance of the bonds for a
15 particular project by the end of fiscal year 2007, the
16 authorization for that project is void.

17 C. Before the local government division may certify
18 for the issuance of severance tax bonds, the project must be
19 developed sufficiently so that the division reasonably expects
20 to:

21 (1) incur within six months after the
22 applicable bonds have been issued a substantial binding
23 obligation to a third party to expend at least five percent of
24 the bond proceeds for the project; and

25 (2) spend at least eighty-five percent of the

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1 bond proceeds within three years after the applicable bonds
2 have been issued.

3 D. Except as otherwise provided in this section,
4 the unexpended balance from the proceeds of severance tax bonds
5 issued for a project shall revert to the severance tax bonding
6 fund as follows:

7 (1) for projects for which severance tax bonds
8 were issued to match federal grants, six months after
9 completion of the project; and

10 (2) for all other projects for which severance
11 tax bonds were issued, within six months of completion of the
12 project, but no later than the end of fiscal year 2010.

13 E. For the purpose of this section, "unexpended
14 balance" means the remainder of an appropriation after
15 reserving for unpaid costs and expenses covered by binding
16 written obligations to third parties.

17 Section 2. COURT BUILDINGS PROJECTS--LOCAL GOVERNMENT
18 DIVISION--SEVERANCE TAX BONDS.--Pursuant to the provisions of
19 Section 1 of this act, upon certification by the local
20 government division of the department of finance and
21 administration that the need exists for the issuance of the
22 bonds, the following amounts are appropriated to the local
23 government division of the department of finance and
24 administration for the following projects:

25 A. four million dollars (\$4,000,000) to plan,

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1 design and construct a judicial complex for the sixth judicial
2 district in Deming in Luna county;

3 B. twelve million dollars (\$12,000,000) to acquire
4 land for, plan, design, construct, equip and furnish the first
5 judicial district complex in Santa Fe county;

6 C. five hundred thousand dollars (\$500,000) to
7 renovate and expand the ninth judicial district courthouse in
8 Clovis in Curry county;

9 D. eight hundred thousand dollars (\$800,000) to
10 plan, design, construct and equip the heating, ventilation, air
11 conditioning and electrical systems at the ninth judicial
12 district courthouse in Roosevelt county;

13 E. one million two hundred thousand dollars
14 (\$1,200,000) to acquire land for and plan, design and construct
15 a judicial facility for the fourth judicial district court in
16 Mora in Mora county;

17 F. two million dollars (\$2,000,000) to construct,
18 equip and furnish the judicial complex in the thirteenth
19 judicial district in Valencia county; and

20 G. one million dollars (\$1,000,000) to plan,
21 design, construct and equip an annex to the fourth judicial
22 district courthouse in Las Vegas in San Miguel county.

23 Section 3. COURT BUILDING PROJECTS--COURT OF APPEALS--
24 SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1
25 of this act, upon certification by the court of appeals that

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1 the need exists for the issuance of the bonds, twelve million
2 dollars (\$12,000,000) is appropriated to the court of appeals
3 to plan, design and construct a court of appeals building
4 adjacent to the university of New Mexico school of law in
5 Albuquerque in Bernalillo county.

6 Section 4. PROJECT SCOPE--EXPENDITURES.--If an
7 appropriation for a project authorized in this act is not
8 sufficient to complete all the purposes specified, the
9 appropriation may be expended for any portion of the purposes
10 specified in the appropriation. Expenditures shall not be made
11 for purposes other than those specified in the appropriation.

12 Section 5. ART IN PUBLIC PLACES.--Pursuant to Section
13 13-4A-4 NMSA 1978 and where applicable, the appropriations
14 authorized in this act include one percent for the art in
15 public places fund.

16 Section 6. EMERGENCY.--It is necessary for the public
17 peace, health and safety that this act take effect immediately.