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SENATE BILL 1185

48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007

INTRODUCED BY

Timothy Z. Jennings

AN ACT

RELATING TO PUBLIC MONEY; PROVIDING A REBATE FOR A PORTION OF TAXES IMPOSED FOR THE 2007 TAXABLE YEAR; PROVIDING AN EXEMPTION FROM INCOME TAX FOR THE 2007 REBATE; CREATING THE WORKING FAMILIES TAX CREDIT TO PROVIDE A TAX CREDIT FOR CERTAIN PERSONS EQUAL TO A PERCENTAGE OF A FEDERAL INCOME TAX CREDIT FOR EARNED INCOME; ACCELERATING THE IMPLEMENTATION OF INCOME TAX RATE REDUCTIONS; PROVIDING FOR FUNDING OF CRITICAL CAPITAL OUTLAY AND OTHER PROJECTS; RECONCILING MULTIPLE AMENDMENTS TO THE SAME SECTION OF LAW IN LAWS 2003; MAKING AN APPROPRIATION; AMENDING, REPEALING AND ENACTING SECTIONS OF THE NMSA 1978; DECLARING AN EMERGENCY.

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

Section 1. Section 7-2-2 NMSA 1978 (being Laws 1986, Chapter 20, Section 26, as amended by Laws 2003, Chapter 13, .167982.1

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1 Section 1 and by Laws 2003, Chapter 275, Section 1) is amended
2 to read:

3 "7-2-2. DEFINITIONS.--For the purpose of the Income Tax
4 Act and unless the context requires otherwise:

5 A. "adjusted gross income" means adjusted gross
6 income as defined in Section 62 of the Internal Revenue Code,
7 as that section may be amended or renumbered;

8 B. "base income":

9 (1) means, for estates and trusts, that part
10 of the estate's or trust's income defined as taxable income and
11 upon which the federal income tax is calculated in the Internal
12 Revenue Code for income tax purposes plus, for taxable years
13 beginning on or after January 1, 1991, the amount of the net
14 operating loss deduction allowed by Section 172(a) of the
15 Internal Revenue Code, as that section may be amended or
16 renumbered, and taken by the taxpayer for that year;

17 (2) means, for taxpayers other than estates or
18 trusts, that part of the taxpayer's income defined as adjusted
19 gross income plus, for taxable years beginning on or after
20 January 1, 1991, the amount of the net operating loss deduction
21 allowed by Section 172(a) of the Internal Revenue Code, as that
22 section may be amended or renumbered, and taken by the taxpayer
23 for that year;

24 (3) includes, for all taxpayers, any other
25 income of the taxpayer not included in adjusted gross income

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1 but upon which a federal tax is calculated pursuant to the
2 Internal Revenue Code for income tax purposes, except amounts
3 for which a calculation of tax is made pursuant to Section 55
4 of the Internal Revenue Code, as that section may be amended or
5 renumbered; "base income" also includes interest received on a
6 state or local bond; and

7 (4) includes, for all taxpayers, an amount
8 deducted pursuant to Section 7-2-32 NMSA 1978 in a prior
9 taxable year if:

10 (a) such amount is transferred to
11 another qualified tuition program, as defined in Section 529 of
12 the Internal Revenue Code, not authorized in the Education
13 Trust Act; or

14 (b) a distribution or refund is made for
15 any reason other than: 1) to pay for qualified higher
16 education expenses, as defined pursuant to Section 529 of the
17 Internal Revenue Code; or 2) upon the beneficiary's death,
18 disability or receipt of a scholarship;

19 C. "compensation" means wages, salaries,
20 commissions and any other form of remuneration paid to
21 employees for personal services;

22 D. "department" means the taxation and revenue
23 department, the secretary or any employee of the department
24 exercising authority lawfully delegated to that employee by the
25 secretary;

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1 E. "fiduciary" means a guardian, trustee, executor,
2 administrator, committee, conservator, receiver, individual or
3 corporation acting in any fiduciary capacity;

4 F. "filing status" means "married filing joint
5 returns", "married filing separate returns", "head of
6 household", "surviving spouse" and "single", as those terms are
7 generally defined for federal tax purposes;

8 G. "fiscal year" means any accounting period of
9 twelve months ending on the last day of any month other than
10 December;

11 H. "head of household" means "head of household" as
12 generally defined for federal income tax purposes;

13 I. "individual" means a natural person, an estate,
14 a trust or a fiduciary acting for a natural person, trust or
15 estate;

16 J. "Internal Revenue Code" means the United States
17 Internal Revenue Code of 1986, as amended;

18 K. "lump-sum amount" means for the purpose of
19 determining liability for federal income tax, an amount that
20 was not included in adjusted gross income but upon which the
21 five-year-averaging or the ten-year-averaging method of tax
22 computation provided in Section 402 of the Internal Revenue
23 Code, as that section may be amended or renumbered, was
24 applied;

25 L. "modified gross income" means all income of the

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1 taxpayer and, if any, the taxpayer's spouse and dependents,
2 undiminished by losses and from whatever source, including:
3 (1) compensation;
4 (2) net profit from business;
5 (3) gains from dealings in property;
6 (4) interest;
7 (5) net rents;
8 (6) royalties;
9 (7) dividends;
10 (8) alimony and separate maintenance payments;
11 (9) annuities;
12 (10) income from life insurance and endowment
13 contracts;
14 (11) pensions;
15 (12) discharge of indebtedness;
16 (13) distributive share of partnership income;
17 (14) income in respect of a decedent;
18 (15) income from an interest in an estate or a
19 trust;
20 (16) social security benefits;
21 (17) unemployment compensation benefits;
22 (18) workers' compensation benefits;
23 (19) public assistance and welfare benefits;
24 (20) cost-of-living allowances; and
25 (21) gifts;

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1 M. "modified gross income" excludes:

2 (1) payments for hospital, dental, medical or
3 drug expenses to or on behalf of the taxpayer;

4 (2) the value of room and board provided by
5 federal, state or local governments or by private individuals
6 or agencies based upon financial need and not as a form of
7 compensation;

8 (3) payments pursuant to a federal, state or
9 local government program directly or indirectly to a third
10 party on behalf of the taxpayer when identified to a particular
11 use or invoice by the payer; or

12 (4) payments [~~pursuant to Sections 7-2-14,~~
13 ~~7-2-18, 7-2-18.1~~] for credits and rebates pursuant to the
14 Income Tax Act and made for a credit pursuant to Section 7-3-9
15 NMSA 1978;

16 N. "net income" means, for estates and trusts, base
17 income adjusted to exclude amounts that the state is prohibited
18 from taxing because of the laws or constitution of this state
19 or the United States and means, for taxpayers other than
20 estates or trusts, base income adjusted to exclude:

21 (1) an amount equal to the standard deduction
22 allowed the taxpayer for the taxpayer's taxable year by Section
23 63 of the Internal Revenue Code, as that section may be amended
24 or renumbered;

25 (2) an amount equal to the itemized deductions

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1 defined in Section 63 of the Internal Revenue Code, as that
2 section may be amended or renumbered, allowed the taxpayer for
3 the taxpayer's taxable year less the amount excluded pursuant
4 to Paragraph (1) of this subsection;

5 (3) an amount equal to the product of the
6 exemption amount allowed for the taxpayer's taxable year by
7 Section 151 of the Internal Revenue Code, as that section may
8 be amended or renumbered, multiplied by the number of personal
9 exemptions allowed for federal income tax purposes;

10 (4) income from obligations of the United
11 States of America less expenses incurred to earn that income;

12 (5) other amounts that the state is prohibited
13 from taxing because of the laws or constitution of this state
14 or the United States;

15 (6) for taxable years that began prior to
16 January 1, 1991, an amount equal to the sum of:

17 (a) net operating loss carryback
18 deductions to that year from taxable years beginning prior to
19 January 1, 1991 claimed and allowed, as provided by the
20 Internal Revenue Code; and

21 (b) net operating loss carryover
22 deductions to that year claimed and allowed; and

23 (7) for taxable years beginning on or after
24 January 1, 1991, an amount equal to the sum of any net
25 operating loss carryover deductions to that year claimed and

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1 allowed, provided that the amount of any net operating loss
2 carryover from a taxable year beginning on or after January 1,
3 1991 may be excluded only as follows:

4 (a) in the case of a timely filed
5 return, in the taxable year immediately following the taxable
6 year for which the return is filed; or

7 (b) in the case of amended returns or
8 original returns not timely filed, in the first taxable year
9 beginning after the date on which the return or amended return
10 establishing the net operating loss is filed; and

11 (c) in either case, if the net operating
12 loss carryover exceeds the amount of net income exclusive of
13 the net operating loss carryover for the taxable year to which
14 the exclusion first applies, in the next four succeeding
15 taxable years in turn until the net operating loss carryover is
16 exhausted; in no event shall a net operating loss carryover be
17 excluded in any taxable year after the fourth taxable year
18 beginning after the taxable year to which the exclusion first
19 applies;

20 0. "net operating loss" means any net operating
21 loss, as defined by Section 172(c) of the Internal Revenue
22 Code, as that section may be amended or renumbered, for a
23 taxable year as further increased by the income, if any, from
24 obligations of the United States for that year less related
25 expenses;

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1 P. "net operating loss carryover" means the amount,
2 or any portion of the amount, of a net operating loss for any
3 taxable year that, pursuant to Paragraph (6) or (7) of
4 Subsection N of this section, may be excluded from base income;

5 Q. "nonresident" means every individual not a
6 resident of this state;

7 R. "person" means any individual, estate, trust,
8 receiver, cooperative association, club, corporation, company,
9 firm, partnership, limited liability company, joint venture,
10 syndicate or other association; "person" also means, to the
11 extent permitted by law, any federal, state or other
12 governmental unit or subdivision or agency, department or
13 instrumentality thereof;

14 S. "resident" means an individual who is domiciled
15 in this state during any part of the taxable year or an
16 individual who is physically present in this state for one
17 hundred eighty-five days or more during the taxable year; but
18 any individual, other than someone who was physically present
19 in the state for one hundred eighty-five days or more during
20 the taxable year, who, on or before the last day of the taxable
21 year, changed [~~his~~] the individual's place of abode to a place
22 without this state with the bona fide intention of continuing
23 actually to abide permanently without this state is not a
24 resident for the purposes of the Income Tax Act for periods
25 after that change of abode;

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1 T. "secretary" means the secretary of taxation and
2 revenue or the secretary's delegate;

3 U. "state" means any state of the United States,
4 the District of Columbia, the commonwealth of Puerto Rico, any
5 territory or possession of the United States or any political
6 subdivision of a foreign country;

7 V. "state or local bond" means a bond issued by a
8 state other than New Mexico or by a local government other than
9 one of New Mexico's political subdivisions, the interest from
10 which is excluded from income for federal income tax purposes
11 under Section 103 of the Internal Revenue Code, as that section
12 may be amended or renumbered;

13 W. "surviving spouse" means "surviving spouse" as
14 generally defined for federal income tax purposes;

15 X. "taxable income" means net income less any lump-
16 sum amount;

17 Y. "taxable year" means the calendar year or fiscal
18 year upon the basis of which the net income is computed under
19 the Income Tax Act and includes, in the case of the return made
20 for a fractional part of a year under the provisions of the
21 Income Tax Act, the period for which the return is made; and

22 Z. "taxpayer" means any individual subject to the
23 tax imposed by the Income Tax Act."

24 Section 2. Section 7-2-7 NMSA 1978 (being Laws 2005 (1st
25 S.S.), Chapter 3, Section 2) is repealed and a new Section

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1 7-2-7 NMSA 1978 is enacted to read:

2 "7-2-7. [NEW MATERIAL] INDIVIDUAL INCOME TAX RATES.--The
3 tax imposed by Section 7-2-3 NMSA 1978 shall be at the
4 following rates for a taxable year beginning on or after
5 January 1, 2007:

6 A. For married individuals filing separate returns:

7 If the taxable income is:	8 The tax shall be:
9 Not over \$4,000	1.7% of taxable income
10 Over \$ 4,000 but not over \$ 8,000	\$ 68.00 plus 3.2% of 11 excess over \$ 4,000
12 Over \$ 8,000 but not over \$ 12,000	\$ 196 plus 4.7% of 13 excess over \$ 8,000
14 Over \$ 12,000	\$ 384 plus 4.9% of 15 excess over \$ 12,000.

16 B. For heads of household, surviving spouses and
17 married individuals filing joint returns:

18 If the taxable income is:	19 The tax shall be:
20 Not over \$8,000	1.7% of taxable income
21 Over \$ 8,000 but not over \$ 16,000	\$ 136 plus 3.2% of 22 excess over \$ 8,000
23 Over \$ 16,000 but not over \$ 24,000	\$ 392 plus 4.7% of 24 excess over \$ 16,000
25 Over \$ 24,000	\$ 768 plus 4.9% of excess over \$ 24,000.

26 C. For single individuals and for estates and

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1 trusts:

2	If the taxable income is:	The tax shall be:
3	Not over \$5,500	1.7% of taxable income
4	Over \$ 5,500 but not over \$ 11,000	\$ 93.50 plus 3.2% of
5		excess over \$ 5,500
6	Over \$ 11,000 but not over \$ 16,000	\$ 269.50 plus 4.7% of
7		excess over \$ 11,000
8	Over \$ 16,000	\$ 504.50 plus 4.9% of
9		excess over \$ 16,000.

10 D. The tax on the sum of any lump-sum amounts
11 included in net income is an amount equal to five multiplied by
12 the difference between:

13 (1) the amount of tax due on the taxpayer's
14 taxable income; and

15 (2) the amount of tax that would be due on an
16 amount equal to the taxpayer's taxable income and twenty
17 percent of the taxpayer's lump-sum amounts included in net
18 income."

19 Section 3. Section 7-2-14 NMSA 1978 (being Laws 1972,
20 Chapter 20, Section 2, as amended) is amended to read:

21 "7-2-14. LOW-INCOME COMPREHENSIVE TAX REBATE.--

22 A. Except as otherwise provided in Subsection B of
23 this section, any resident who files an individual New Mexico
24 income tax return and who is not a dependent of another
25 individual may claim a tax rebate, to be referred to as the

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1 "low-income comprehensive tax rebate" for a portion of state
2 and local taxes to which the resident has been subject during
3 the taxable year for which the return is filed. The tax rebate
4 may be claimed even though the resident has no income taxable
5 under the Income Tax Act. A husband and wife who file separate
6 returns for a taxable year in which they could have filed a
7 joint return may each claim only one-half of the tax rebate
8 that would have been allowed on a joint return.

9 B. No claim for the tax rebate provided in this
10 section shall be filed by a resident who was an inmate of a
11 public institution for more than six months during the taxable
12 year for which the tax rebate could be claimed or who was not
13 physically present in New Mexico for at least six months during
14 the taxable year for which the tax rebate could be claimed.

15 C. The tax rebate provided in this section shall
16 not be allowed for a taxpayer who has claimed a working
17 families tax credit for the taxable year.

18 [~~C.~~] D. For the purposes of this section, the total
19 number of exemptions for which a tax rebate may be claimed or
20 allowed is determined by adding the number of federal
21 exemptions allowable for federal income tax purposes for each
22 individual included in the return who is domiciled in New
23 Mexico plus two additional exemptions for each individual
24 domiciled in New Mexico included in the return who is sixty-
25 five years of age or older plus one additional exemption for

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1 each individual domiciled in New Mexico included in the return
 2 who, for federal income tax purposes, is blind plus one
 3 exemption for each minor child or stepchild of the resident who
 4 would be a dependent for federal income tax purposes if the
 5 public assistance contributing to the support of the child or
 6 stepchild was considered to have been contributed by the
 7 resident.

8 ~~[D-]~~ E. The tax rebate provided for in this section
 9 may be claimed in the amount shown in the following table:

10	Modified gross		And the total number					
11	income is:		of exemptions is:					
12		But Not						6 or
13	Over	Over	1	2	3	4	5	More
14	\$ 0	\$ 500	\$ 120	\$ 160	\$ 200	\$ 240	\$ 280	\$ 320
15	500	1,000	135	195	250	310	350	415
16	1,000	1,500	135	195	250	310	350	435
17	1,500	2,000	135	195	250	310	350	450
18	2,000	2,500	135	195	250	310	350	450
19	2,500	3,000	135	195	250	310	350	450
20	3,000	3,500	135	195	250	310	350	450
21	3,500	4,000	135	195	250	310	355	450
22	4,000	4,500	135	195	250	310	355	450
23	4,500	5,000	125	190	240	305	355	450
24	5,000	5,500	115	175	230	295	355	430
25	5,500	6,000	105	155	210	260	315	410

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1	6,000	7,000	90	130	170	220	275	370
2	7,000	8,000	80	115	145	180	225	295
3	8,000	9,000	70	105	135	170	195	240
4	9,000	10,000	65	95	115	145	175	205
5	10,000	11,000	60	80	100	130	155	185
6	11,000	12,000	55	70	90	110	135	160
7	12,000	13,000	50	65	85	100	115	140
8	13,000	14,000	50	65	85	100	115	140
9	14,000	15,000	45	60	75	90	105	120
10	15,000	16,000	40	55	70	85	95	110
11	16,000	17,000	35	50	65	80	85	105
12	17,000	18,000	30	45	60	70	80	95
13	18,000	19,000	25	35	50	60	70	80
14	19,000	20,000	20	30	40	50	60	65
15	20,000	21,000	15	25	30	40	50	55
16	21,000	22,000	10	20	25	35	40	45.

[E.] F. If a taxpayer's modified gross income is zero, the taxpayer may claim a credit in the amount shown in the first row of the table appropriate for the taxpayer's number of exemptions.

[F.] G. The tax rebates provided for in this section may be deducted from the taxpayer's New Mexico income tax liability for the taxable year. If the tax rebates exceed the taxpayer's income tax liability, the excess shall be refunded to the taxpayer.

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1 [~~G.~~] H. For purposes of this section, "dependent"
2 means "dependent" as defined by Section 152 of the Internal
3 Revenue Code of 1986, as that section may be amended or
4 renumbered, but also includes any minor child or stepchild of
5 the resident who would be a dependent for federal income tax
6 purposes if the public assistance contributing to the support
7 of the child or stepchild was considered to have been
8 contributed by the resident."

9 Section 4. A new section of the Income Tax Act is
10 enacted to read:

11 "[NEW MATERIAL] WORKING FAMILIES TAX CREDIT.--

12 A. A person who files an individual New Mexico
13 income tax return and who is not a dependent of another
14 taxpayer may claim a credit in an amount calculated pursuant to
15 Subsection B of this section. A person is eligible for a
16 credit pursuant to this section only if the person does not
17 claim a rebate for the taxable year pursuant to Section 7-2-14
18 NMSA 1978. The credit provided in this section may be referred
19 to as the "working families tax credit".

20 B. The amount of credit for which a person is
21 eligible pursuant to this section shall be an amount equal to
22 the product of ten percent of the federal income tax credit for
23 the taxable year for which that person is eligible pursuant to
24 Section 32 of the Internal Revenue Code multiplied by a ratio,
25 the numerator of which is the person's earned income in New

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1 Mexico for the taxable year and the denominator of which is the
2 person's total earned income for the taxable year. For the
3 purposes of this subsection, "earned income" means earned
4 income as defined in Section 32 of the Internal Revenue Code.

5 C. A husband and wife who file separate returns for
6 a taxable year in which they could have filed a joint return
7 may claim only one-half of the credit that would have been
8 allowed on a joint return.

9 D. The working families tax credit may be deducted
10 from the income tax liability of a person who claims the credit
11 and qualifies for the credit pursuant to this section. If the
12 credit exceeds the person's income tax liability for the
13 taxable year, the excess shall be refunded to the person."

14 Section 5. A new section of the Income Tax Act is
15 enacted to read:

16 "[NEW MATERIAL] TAX REBATE--2007 TAXABLE YEAR.--

17 A. Except as otherwise provided in this section, any
18 resident who files an individual New Mexico income tax return
19 and who is not a dependent of another individual is entitled to
20 a tax rebate during the 2007 taxable year for a portion of
21 state and local taxes to which the person has been subject
22 during the 2007 taxable year, even if the resident has no
23 income taxable pursuant to the Income Tax Act.

24 B. For the purposes of this section, the total
25 number of exemptions for which a tax rebate may be claimed or

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1 allowed is determined by adding the number of federal
2 exemptions allowable for federal income tax purposes for each
3 individual; provided that, in the case of a husband and wife
4 who have filed a joint return where only one individual is a
5 New Mexico resident, the number of exemptions shall be reduced
6 by one.

7 C. The tax rebate provided for in this section is
8 allowed in the amount of one hundred thirty-eight dollars
9 (\$138) for each exemption allowed pursuant to Subsection F of
10 this section.

11 D. The secretary shall make an advance payment of
12 the tax rebate provided for in this section not later than June
13 30, 2007 to each resident who meets the requirements of
14 Subsection A of this section and who files a 2006 New Mexico
15 income tax return by April 16, 2007.

16 E. If a resident who meets the requirements of
17 Subsection A of this section does not receive an advance
18 payment as provided in Subsection D of this section because the
19 resident has not filed a 2006 New Mexico income tax return by
20 April 16, 2007, but the resident subsequently files a 2006 New
21 Mexico income tax return, the secretary shall make an advance
22 payment of the tax rebate provided for in this section not
23 later than ninety days after the return is filed.

24 F. Advance payment amounts shall be based on the
25 number of federal exemptions allowable for federal income tax

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1 purposes on the 2006 New Mexico income tax return of the
2 resident for whom a rebate is allowed pursuant to this section.

3 G. A resident who meets the requirements of
4 Subsection A of this section but does not receive an advance
5 payment pursuant to Subsection D or F of this section may claim
6 the tax rebate provided in this section on that resident's 2007
7 New Mexico income tax return based on the number of federal
8 exemptions allowable for federal income tax purposes reported
9 on that return.

10 H. The department shall not make an advance payment
11 of the tax rebate provided for in this section to a person who:

12 (1) was an inmate of a public institution for
13 more than six months during the 2006 taxable year; or

14 (2) was not a resident of New Mexico on the
15 last day of the 2006 taxable year.

16 I. The department shall not allow a tax rebate
17 provided in this section to a person who claims the rebate on
18 that person's 2007 New Mexico income tax return if that person:

19 (1) was an inmate of a public institution for
20 more than six months during the 2007 taxable year; or

21 (2) was not a resident of New Mexico on the
22 last day of the 2007 taxable year.

23 J. The secretary may adopt regulations necessary to
24 administer the provisions of this section.

25 K. For purposes of this section, "dependent" means

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underscored material = new
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1 "dependent" as defined by Section 152 of the Internal Revenue
2 Code, but also includes any minor child or stepchild of the
3 resident who would be a dependent for federal income tax
4 purposes if the public assistance contributing to the support
5 of the child or stepchild was considered to have been
6 contributed by the resident."

7 Section 6. A new section of the Income Tax Act is
8 enacted to read:

9 "[NEW MATERIAL] EXEMPTION--2007 TAXABLE YEAR REBATE.--The
10 tax rebate made for the 2007 taxable year is exempt from state
11 income tax."

12 Section 7. TEMPORARY PROVISION--EXPENDITURE OF PUBLIC
13 MONEY.--The following amounts are appropriated from the general
14 fund to the following agencies or funds for expenditure in
15 fiscal years 2007 through 2010, unless otherwise indicated, for
16 the following purposes:

17 A. to the administrative office of the courts:

18 (1) eight million dollars (\$8,000,000) to
19 construct phase 1 of the court of appeals building in
20 Albuquerque in Bernalillo county; and

21 (2) four million dollars (\$4,000,000) for
22 equipment for interpreters and jurors for the jury and witness
23 program; security, recording and filing equipment for the
24 magistrate courts; and furniture, security equipment, a vehicle
25 and other courtroom equipment for the district courts

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1 statewide;

2 B. to the aging and long-term services department,
3 eight million two hundred thousand dollars (\$8,200,000) to
4 purchase meals equipment, health and safety equipment and
5 vehicles and for renovations to senior citizen centers
6 statewide;

7 C. to the border authority:

8 (1) six hundred thousand dollars (\$600,000)
9 to improve streets and drainage surrounding the port of entry
10 in Columbus in Luna county; and

11 (2) one hundred thousand dollars (\$100,000)
12 to conduct a drainage study at the port of entry in Columbus in
13 Luna county;

14 D. to the commission for the blind, nine hundred
15 thirty-five thousand dollars (\$935,000) for roof replacement
16 and a fire protection sprinkler system in Albuquerque in
17 Bernalillo county;

18 E. to the corrections department, one million
19 dollars (\$1,000,000) to plan, design, construct, equip, furnish
20 and make other necessary repairs for a kitchen at Camino Nuevo
21 in Albuquerque in Bernalillo county;

22 F. to the cultural affairs department:

23 (1) five million dollars (\$5,000,000) for
24 renovations and repairs, including upgrades to comply with the
25 Americans with Disabilities Act of 1990, at museums and

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underscored material = new
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1 monuments statewide;

2 (2) one million three hundred thousand
3 dollars (\$1,300,000) to complete the construction of the
4 national Hispanic cultural center in Albuquerque in Bernalillo
5 county;

6 (3) one million eight hundred thousand
7 dollars (\$1,800,000) to complete phase 1 construction of the
8 archaeology center in Santa Fe in Santa Fe county;

9 (4) one million two hundred thousand dollars
10 (\$1,200,000) for upgrades and expansion to the museum of space
11 history in Alamogordo in Otero county;

12 (5) four million one hundred thousand dollars
13 (\$4,100,000) to complete phases 1 and 2 of the main gallery
14 exhibit and outdoor exhibit and venues at the farm and ranch
15 heritage museum in Las Cruces in Dona Ana county;

16 (6) nine hundred thousand dollars (\$900,000)
17 to renovate and upgrade the Girard wing of the museum of
18 international folk art in Santa Fe in Santa Fe county; and

19 (7) seven hundred fifty thousand dollars
20 (\$750,000) for conservation and preservation of the state-owned
21 art collection and for museum resources equipment, including a
22 new "van of enchantment";

23 G. to the Cumbres and Toltec scenic railroad
24 commission, two million dollars (\$2,000,000) for locomotive and
25 track upgrades and other improvements for the Cumbres and

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1 Toltec scenic railroad located in Rio Arriba county;

2 H. to the economic development department:

3 (1) two million dollars (\$2,000,000) to plan
4 and design the redevelopment of central business districts as
5 part of the main street program statewide; and

6 (2) five hundred thousand dollars (\$500,000)
7 to design and install utilities at the Wood Cluster park in Las
8 Vegas in San Miguel county;

9 I. to the public education department:

10 (1) three million dollars (\$3,000,000) to
11 plan, design, construct or renovate pre-kindergarten classrooms
12 statewide;

13 (2) one million five hundred thousand dollars
14 (\$1,500,000) to purchase laptop computers for seventh grade
15 students statewide;

16 (3) two million dollars (\$2,000,000) to
17 purchase library books for public schools statewide; and

18 (4) ten million dollars (\$10,000,000) for
19 educational infrastructure pursuant to the Technology for
20 Education Act at public schools statewide;

21 J. to the office of the state engineer, three
22 million dollars (\$3,000,000) for surface water measurement at
23 Rio Gallinas and Rio Chama, dam emergency repairs statewide and
24 ground water measurement statewide;

25 K. to the energy, minerals and natural resources

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1 department:

2 (1) five hundred thousand dollars (\$500,000)
3 to purchase and equip fire trucks and carriers statewide; and

4 (2) two million five hundred thousand dollars
5 (\$2,500,000) for park improvements statewide;

6 L. to the department of finance and administration:

7 (1) eight million dollars (\$8,000,000) for
8 capital projects statewide pursuant to the Affordable Housing
9 Act;

10 (2) seven million dollars (\$7,000,000) for
11 tribal infrastructure projects related to water, wastewater,
12 electrical, communications, roads, health, emergency facilities
13 and economic development statewide; and

14 (3) two million dollars (\$2,000,000) for home
15 weatherization programs statewide;

16 M. to the department of game and fish, three million
17 three hundred thousand dollars (\$3,300,000) to complete
18 spillway renovations and facility repairs to the Lake Roberts
19 and Burns Canyon dams;

20 N. to the local government division of the
21 department of finance and administration:

22 (1) five hundred thousand dollars (\$500,000)
23 to renovate the public health facility in Socorro in Socorro
24 county;

25 (2) five hundred thousand dollars (\$500,000)

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1 to renovate the public health facility in Gallup in McKinley
2 county; and

3 (3) two million five hundred thousand dollars
4 (\$2,500,000) to construct a public health facility in Espanola
5 in Rio Arriba county;

6 0. to the state armory board, three million dollars
7 (\$3,000,000) for armory maintenance and renovations statewide,
8 including the Rio Rancho training center located in Sandoval
9 county;

10 P. to the property control division of the general
11 services department, twenty-one million dollars (\$21,000,000)
12 to complete construction of the state laboratory services
13 building in Albuquerque in Bernalillo county;

14 Q. to the department of public safety, one million
15 five hundred thousand dollars (\$1,500,000) for vehicle
16 maintenance and replacement;

17 R. to the public school capital outlay fund:

18 (1) ten million dollars (\$10,000,000) for
19 funding the local share of public school capital outlay
20 projects for charter schools statewide;

21 (2) forty million dollars (\$40,000,000) to
22 fund new or expanded school facilities in high-growth areas of
23 the state; and

24 (3) ten million dollars (\$10,000,000) for
25 supplemental funding for public school facilities to address

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1 increased adequacy needs;

2 S. to the public regulation commission, five hundred
3 thirty-five thousand dollars (\$535,000) to plan, design and
4 construct a connection between the New Mexico firefighters
5 training academy and the city sewer in Socorro in Socorro
6 county; for roof repairs; and for fuel storage tank upgrades;

7 T. to the state fair commission, ten million dollars
8 (\$10,000,000) to purchase a box car and Ford pavilion canopy;
9 renovate restrooms; renovate an indoor horse arena for code
10 compliance; and plan, design, construct or renovate an
11 administration building at the state fairgrounds located in
12 Albuquerque in Bernalillo county;

13 U. to the supreme court building commission, one
14 million dollars (\$1,000,000) for fire suppression and Americans
15 with Disabilities Act of 1990 compliance in the law library and
16 other improvements and repairs to the supreme court building in
17 Santa Fe in Santa Fe county;

18 V. to the tourism department, seven hundred fifty
19 thousand dollars (\$750,000) to renovate the Gallup and Glen Rio
20 visitor centers;

21 W. to the wastewater facility construction loan
22 fund, one million five hundred thousand dollars (\$1,500,000)
23 for expenditure in fiscal years 2007 and subsequent fiscal
24 years to carry out the purposes of the Wastewater Facility
25 Construction Loan Act. Any unexpended or unencumbered balance

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1 remaining at the end of a fiscal year shall not revert;

2 X. to the capital program fund:

3 (1) three hundred thousand dollars (\$300,000)
4 to complete construction of the border authority office
5 facility in Santa Teresa in Dona Ana county;

6 (2) four million dollars (\$4,000,000) for
7 fire suppression, roof repairs, Americans with Disabilities Act
8 of 1990 upgrades and kitchen and bath renovations at the youth
9 diagnostic development center in Albuquerque in Bernalillo
10 county;

11 (3) five million dollars (\$5,000,000) to
12 construct and equip a gym, weight room and vocational
13 educational classrooms at the J. Paul Taylor juvenile facility
14 in Dona Ana county;

15 (4) five hundred thousand dollars (\$500,000)
16 for grounds, structure and maintenance upgrades at the Eagle
17 Nest reintegration center in Eagle Nest in Colfax county;

18 (5) five hundred thousand dollars (\$500,000)
19 to purchase and install lighting, install a generator and
20 landscape grounds at Camp Sierra Blanca in Fort Stanton in
21 Lincoln county;

22 (6) six million dollars (\$6,000,000) for
23 security upgrades at state-owned correctional facilities
24 statewide;

25 (7) five million dollars (\$5,000,000) for

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1 repairs and maintenance at state-owned correctional facilities
2 statewide;

3 (8) five hundred thousand dollars (\$500,000)
4 to purchase and install printing equipment in the state
5 printing and graphics shop in Santa Fe in Santa Fe county;

6 (9) five hundred thousand dollars (\$500,000)
7 for stabilization and renovations of existing structures at
8 Fort Stanton in Lincoln county;

9 (10) one million five hundred thousand
10 dollars (\$1,500,000) to purchase the Coughlin building in Santa
11 Fe in Santa Fe county;

12 (11) two million dollars (\$2,000,000) for
13 emergency repairs to buildings maintained by the property
14 control division statewide;

15 (12) six million dollars (\$6,000,000) for
16 roof repairs, heating, ventilation and air conditioning
17 upgrades or replacements and other renovations statewide,
18 including upgrades to Simms building recovery center in Santa
19 Fe in Santa Fe county;

20 (13) five hundred thousand dollars (\$500,000)
21 for complete structural analysis and programmatic assessments
22 of facilities and public health offices for the department of
23 health facilities statewide;

24 (14) nine hundred thousand dollars (\$900,000)
25 to plan, design, construct, renovate, equip and furnish a

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1 medical and dental unit at the Sequoyah facility in Albuquerque
2 in Bernalillo county;

3 (15) one million three hundred thousand
4 dollars (\$1,300,000) to purchase analytical equipment for the
5 scientific laboratory to support driving under the influence
6 and autopsy testing as well as environmental testing and
7 communicable disease outbreak detection equipment for the state
8 scientific laboratory in Albuquerque in Bernalillo county;

9 (16) one million eight hundred thousand
10 dollars (\$1,800,000) to plan, design and construct or expand an
11 existing facility for an Alzheimer's unit and make other
12 improvements at the New Mexico veterans' home in Truth or
13 Consequences in Sierra county;

14 (17) six million dollars (\$6,000,000) for
15 capital improvements and renovations at state-owned health
16 facilities statewide;

17 (18) three hundred thousand dollars
18 (\$300,000) for renovations of Epi Duran building in Las Vegas
19 in San Miguel county and upgrades to voice-data wiring of
20 state-owned offices statewide;

21 (19) one million five hundred thousand
22 dollars (\$1,500,000) for renovations and repairs of offices in
23 Alamogordo in Otero county and the TIWA building in Albuquerque
24 in Bernalillo county, and for expansion of the Las Cruces
25 facility in Dona Ana county;

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1 (20) five million dollars (\$5,000,000) for
2 land acquisition and to plan, design, construct or renovate a
3 state police district office in Las Cruces in Dona Ana county;

4 (21) five million dollars (\$5,000,000) for
5 land acquisition and to plan, design, construct or renovate a
6 state police district office in Las Vegas in San Miguel county;

7 (22) twelve million dollars (\$12,000,000) to
8 plan, design and construct a port of entry in Lordsburg in
9 Hidalgo county;

10 (23) one million dollars (\$1,000,000) for
11 facility renovations and information technology mitigation
12 statewide;

13 (24) one million seven hundred thousand
14 dollars (\$1,700,000) to plan and design a state crime
15 laboratory in Albuquerque in Bernalillo county in conjunction
16 with the state tri-lab; and

17 (25) six hundred thousand dollars (\$600,000)
18 to replace remittance transports and for security upgrades of
19 the Lujan building in Santa Fe in Santa Fe county;

20 Y. to the board of regents of the New Mexico school
21 for the blind and visually impaired, six million dollars
22 (\$6,000,000) to construct, equip and furnish the early
23 childhood center at the New Mexico school for the blind and
24 visually impaired in Alamogordo in Otero county;

25 Z. to the board of regents of the New Mexico school

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1 for the deaf, six million seven hundred thousand dollars
2 (\$6,700,000) to renovate Connor hall and upgrade dining hall
3 facilities and for electrical and mechanical upgrades at the
4 New Mexico school for the deaf in Santa Fe in Santa Fe county;
5 and

6 AA. to the board of regents of the university of New
7 Mexico:

8 (1) five million dollars (\$5,000,000) to
9 purchase patient care equipment for the university of New
10 Mexico hospital and cancer treatment center in Albuquerque in
11 Bernalillo county;

12 (2) three million two hundred fifteen
13 thousand dollars (\$3,215,000) for expenditure in fiscal years
14 2008 through 2010 to develop and conduct inflammatory breast
15 cancer research in conjunction with the inflammatory breast
16 cancer clinic and research program at M.D. Anderson cancer
17 center of the university of Texas; and

18 (3) three million five hundred thousand
19 dollars (\$3,500,000) for expenditure in fiscal years 2008
20 through 2011 to plan and develop a center for isotopes in
21 medicine.

22 Section 8. CONTINGENT APPROPRIATION TO THE INDIAN WATER
23 RIGHTS SETTLEMENT FUND.--Upon certification by the state
24 engineer to the secretary of finance and administration, prior
25 to July 1, 2008, that the water rights in the *Aamodt* case have

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1 been settled, twelve million dollars (\$12,000,000) is
2 appropriated from the appropriation contingency fund to the
3 Indian water rights settlement fund. Notwithstanding the
4 requirement for a joint resolution of the legislature in
5 Subsection A of Section 72-1-11 NMSA 1978, if corresponding
6 commitments have been made for the federal portion of the
7 settlement, the money may be expended by the interstate stream
8 commission in fiscal year 2008 and subsequent fiscal years to
9 implement the state's portion of the settlement. Any
10 unexpended or unencumbered balance shall not revert at the end
11 of a fiscal year.

12 Section 9. CONTINGENT APPROPRIATION FOR THE PECOS RIVER
13 COMPACT SETTLEMENT.--

14 A. Upon certification by the interstate stream
15 commission to the secretary of finance and administration that
16 at least ninety-five percent of existing appropriations to
17 implement the Pecos River Compact settlement have been fully
18 expended or encumbered for specific land and water rights
19 purchases or for specific contracts for the development of
20 augmentation well fields and pipelines and related professional
21 services and that additional expenditures are necessary, the
22 amount, up to three million dollars (\$3,000,000), certified by
23 the secretary as needed, is appropriated to the interstate
24 stream commission for expenditure in fiscal year 2008 to
25 purchase land and water rights within the interstate stream

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1 commission's existing pricing guidelines and for the
2 development of augmentation well fields and pipelines and
3 related professional services. Any unexpended or unencumbered
4 balance remaining at the end of fiscal year 2008 shall revert
5 to the appropriation contingency fund.

6 B. Upon certification by the interstate stream
7 commission to the secretary of finance and administration that
8 at least ninety-five percent of the appropriation made in
9 Subsection B of this section has been fully expended or
10 encumbered for specific land and water rights purchases or for
11 specific contracts for the development of augmentation well
12 fields and pipelines and related professional services and that
13 additional expenditures are necessary, the amount, up to an
14 additional three million dollars (\$3,000,000), certified by the
15 secretary as needed, is appropriated to the interstate stream
16 commission for expenditure in fiscal year 2008 to purchase land
17 and water rights within the interstate stream commission's
18 existing pricing guidelines and for the development of
19 augmentation well fields and pipelines and related professional
20 services. Any unexpended or unencumbered balance remaining at
21 the end of fiscal year 2008 shall revert to the appropriation
22 contingency fund.

23 C. After a certification is made pursuant to this
24 section, the interstate stream commission shall report monthly
25 to the secretary of finance and administration and the

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1 legislative finance committee regarding the amount of money
2 expended and encumbered, the specific contracts executed and
3 the overall progress toward implementation of the Pecos River
4 Compact settlement.

5 Section 10. TEMPORARY PROVISION.--The repeal of Laws
6 2005 (1st S.S.), Chapter 3, Section 2 by Section 2 of this act
7 does not affect the individual income tax rates imposed by that
8 section for any taxable year beginning in 2006.

9 Section 11. REPEAL.--Laws 2005, Chapter 104, Section 4
10 is repealed.

11 Section 12. APPLICABILITY.--The provisions of Sections
12 1, 3 and 4 of this act apply to taxable years beginning on or
13 after January 1, 2007.

14 Section 13. EMERGENCY.--It is necessary for the public
15 peace, health and safety that this act take effect immediately.