SENATE BILL 404

49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009

INTRODUCED BY

Carlos R. Cisneros

AN ACT

RELATING TO CAPITAL EXPENDITURES; AUTHORIZING THE ISSUANCE OF SEVERANCE TAX BONDS; AUTHORIZING EXPENDITURES FROM CERTAIN FUNDS AND BALANCES; 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 this act. The state board

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

- B. The agencies named in this act shall certify to the state board of finance when the money from the proceeds of the severance tax bonds authorized in this section is needed for the purposes specified in the applicable section of this act. If an agency has not certified the need for the issuance of the bonds for a particular project, including projects that have been reauthorized, by the end of fiscal year 2011, the authorization for that project is void.
- C. Before an agency may certify for the issuance of severance tax bonds, the project must be developed sufficiently so that the agency reasonably expects to:
- (1) incur within six months after the applicable bonds have been issued a substantial binding obligation to a third party to expend at least five percent of the bond proceeds for the project; and
- (2) spend at least eighty-five percent of the .176194.1

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

- Except as otherwise specifically provided by law:
- the unexpended balance from the proceeds of severance tax bonds issued pursuant to this act for a project shall revert to the severance tax bonding fund no later than the following dates:
- (a) for a project for which severance tax bonds were issued to match federal grants, six months after completion of the project;
- (b) for a project for which severance tax bonds were issued to purchase vehicles, including emergency vehicles and other vehicles that require special equipment; heavy equipment; books; educational technology; or other equipment or furniture that is not related to a more inclusive construction or renovation project, at the end of the fiscal year two years following the fiscal year in which the severance tax bonds were issued for the purchase; and
- for any other project for which severance tax bonds were issued, within six months of completion of the project, but no later than the end of fiscal year 2013; and
- all remaining balances from the proceeds of severance tax bonds issued for a project pursuant to this .176194.1

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act shall revert to the severance tax bonding fund three months after the latest reversion date specified for that type of project in Paragraph (1) of this subsection, whether or not any of the remaining balances are subject to a contractual obligation to third parties.

- E. Except for appropriations to the capital program fund, money from severance tax bond proceeds provided pursuant to this act shall not be used to pay indirect project costs.
- F. For the purpose of this section, "unexpended balance" means the remainder of an appropriation after reserving for unpaid costs and expenses covered by binding written obligations to third parties.
- Section 2. GENERAL FUND AND OTHER FUND APPROPRIATIONS--LIMITATIONS--REVERSIONS.--
- A. Except as otherwise specifically provided by law:
- (1) the unexpended balance of an appropriation made in this act from the general fund or other state fund shall revert no later than the following dates:
- (a) for a project for which an appropriation was made to match federal grants, six months after completion of the project;
- (b) for a project for which an appropriation was made to purchase vehicles, including emergency vehicles and other vehicles that require special .176194.1

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equipment; heavy equipment; books; educational technology; or other equipment or furniture that is not related to a more inclusive construction or renovation project, at the end of the fiscal year two years following the fiscal year in which the appropriation was made for the purchase; and

- (c) for any other project for which an appropriation was made, within six months of completion of the project, but no later than the end of fiscal year 2013; and
- all remaining balances from an appropriation made in this act for a project shall revert three months after the latest reversion date specified for that type of project in Paragraph (1) of this subsection, whether or not any of the remaining balances are subject to a contractual obligation to third parties.
- Upon certification by an agency that money from the general fund is needed for a purpose specified in this act, the secretary of finance and administration shall disburse such amount of the appropriation for that project as is necessary to meet that need.
- C. Except for appropriations to the capital program fund, money from appropriations made in this act shall not be used to pay indirect project costs.
- Except as provided in Subsection F of this section, the balance of an appropriation made from the general fund shall revert in the time frame set forth in Subsection A .176194.1

of this section to the capital projects fund.

- E. Except as provided in Subsection F of this section, the balance of an appropriation made from other state funds shall revert in the time frame set forth in Subsection A of this section to the originating fund.
- F. The balance of an appropriation made from the general fund or other state fund to the Indian affairs department or the aging and long-term services department for a project located on lands of an Indian nation, tribe or pueblo shall revert in the time frame set forth in Subsection A of this section to the tribal infrastructure project fund.
- G. For the purpose of this section, "unexpended balance" means the remainder of an appropriation after reserving for unpaid costs and expenses covered by binding written obligations to third parties.

Section 3. ADMINISTRATIVE OFFICE OF THE COURTS PROJECT-SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1
of this act, upon certification by the administrative office of
the courts that the need exists for the issuance of the bonds,
nine hundred thousand dollars (\$900,000) is appropriated to the
administrative office of the courts to furnish, equip and make
improvements, including assistive listening devices, flooring,
air conditioning units and security system enhancements, for
the administrative office of the courts and magistrate and
district courts statewide.

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Section 4. AGING AND LONG-TERM SERVICES DEPARTMENT PROJECT--SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1 of this act, upon certification by the aging and long-term services department that the need exists for the issuance of the bonds, two million seven hundred thousand dollars (\$2,700,000) is appropriated to the aging and long-term services department to renovate senior centers for code compliance statewide.

Section 5. STATE ARMORY BOARD PROJECT--SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1 of this act, upon certification by the state armory board that the need exists for the issuance of the bonds, five hundred thousand dollars (\$500,000) is appropriated to the state armory board for upgrades to existing facilities and staging areas and to demolish old facilities at armories statewide.

Section 6. BERNALILLO COUNTY METROPOLITAN COURT
PROJECTS--SEVERANCE TAX BONDS.--Pursuant to the provisions of
Section 1 of this act, upon certification by the Bernalillo
county metropolitan court that the need exists for the issuance
of the bonds, the following amounts are appropriated to the
Bernalillo county metropolitan court for the following
purposes:

1. one million four hundred thousand dollars (\$1,400,000) to plan, design and construct courtrooms and chambers for the fourth floor of the Bernalillo county .176194.1

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metropolitan courthouse in Bernalillo county; and

2. one hundred sixty-two thousand dollars (\$162,000) to plan, design, construct and furnish classrooms for the driving while impaired and driver improvement schools in the metro shops in Bernalillo county.

CAPITAL PROGRAM FUND PROJECTS--SEVERANCE TAX Section 7. BONDS.--Pursuant to the provisions of Section 1 of this act, upon certification by the capital program fund that the need exists for the issuance of the bonds, the following amounts are appropriated to the capital program fund for the following purposes:

- five hundred thousand dollars (\$500,000) for improvements to the TIWA building, including a fire suppression system, ceiling tiles, lighting and installation of an electrical generator backup system, in Albuquerque in Bernalillo county;
- 2. one million dollars (\$1,000,000) to relocate the youth diagnostic and development center to the Los Lunas campus in Valencia county;
- four hundred thousand dollars (\$400,000) to plan, design and construct improvements, including reconfiguring office layout, remodeling restrooms and replacing the heating, ventilation and air conditioning system, in the James Murray building in Hobbs in Lea county;
- two hundred thousand dollars (\$200,000) to plan, .176194.1

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design and construct renovations to the Harriet Sammons building in Farmington in San Juan county;

- one hundred seventy-five thousand dollars (\$175,000) for repairs and improvements to the Louise Brown building, including site improvements, repaving and restriping the parking lot and replacing the property fence, in Bernalillo in Sandoval county;
- four million dollars (\$4,000,000) to purchase land and to plan and design a building complex and parking structure for the health and human services complex in Santa Fe county;
- one million nine hundred thousand dollars (\$1,900,000) to purchase and install information technology, including related equipment, furniture and infrastructure, in the data center in the Simms building in Santa Fe in Santa Fe county;
- one million dollars (\$1,000,000) to plan, design 8. and construct an addition to the north office for the homeland security and emergency management department center in Santa Fe in Santa Fe county;
- three million dollars (\$3,000,000) for a development plan, including needed facility renovations and improvements, for the infill and redevelopment of the south capitol campus complex in Santa Fe in Santa Fe county;
- 10. one hundred thirty-five thousand dollars .176194.1

(\$135,000) to construct a fire investigation center for evidence processing and storage at the New Mexico firefighters training academy in Socorro in Socorro county for use by the fire marshal division;

- 11. eight million dollars (\$8,000,000) for
 repairing, renovating and equipping correctional facilities
 statewide;
- 12. five million dollars (\$5,000,000) for health and safety improvements and to purchase and equip vehicles for department of health patient facilities statewide;
- 13. five hundred thousand dollars (\$500,000) for renovations to state-owned buildings occupied by the department of public safety statewide;
- 14. four hundred thousand dollars (\$400,000) for a master plan based on the Missouri model for juvenile justice facilities statewide;
- 15. three hundred thousand dollars (\$300,000) to plan, design and renovate juvenile justice facilities statewide based on the Missouri model, including the John Paul Taylor center;
- 16. five hundred thousand dollars (\$500,000) for security systems and related improvements for juvenile justice facilities statewide;
- 17. two million one hundred thousand dollars (\$2,100,000) for demolition and decommissioning of state .176194.1

buildings statewide;

- 18. five million dollars (\$5,000,000) for repairs, renovations, deferred maintenance and infrastructure improvements, including demolition, at state buildings statewide;
- 19. three million six hundred thousand dollars (\$3,600,000) to plan, design, construct and equip security system improvements at the western and central New Mexico correctional facilities in Cibola and Valencia counties;
- 20. five hundred thousand dollars (\$500,000) for improvements to workforce solutions department offices statewide, including roofs; heating, ventilation and air conditioning systems; deferred maintenance; and improvements to comply with the requirements of the Americans with Disabilities Act of 1990;
- 21. three hundred thousand dollars (\$300,000) to plan, design, construct and equip a parking area, including lighting and landscaping, for the Fred Luna building in Belen in Valencia county; and
- 22. six million dollars (\$6,000,000) to plan, design and construct a veterans' skilled-nursing Alzheimer's unit at the New Mexico state veterans' home in Truth or Consequences in Sierra county and facilities at the New Mexico behavioral health institute in Las Vegas in San Miguel county.
- Section 8. COURT OF APPEALS PROJECT--SEVERANCE TAX
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BONDS.--Pursuant to the provisions of Section 1 of this act, upon certification by the court of appeals that the need exists for the issuance of the bonds, four hundred thousand dollars (\$400,000) is appropriated to the court of appeals for furniture, fixtures and equipment at the Pamela B. Minzner court of appeals law center in Albuquerque in Bernalillo county.

Section 9. CULTURAL AFFAIRS DEPARTMENT PROJECTS-SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1
of this act, upon certification by the cultural affairs
department that the need exists for the issuance of the bonds,
the following amounts are appropriated to the cultural affairs
department for the following purposes:

- 1. three million dollars (\$3,000,000) for repairs and improvements to cultural affairs department facilities and state museums and monuments, including artifacts and artwork, statewide; and
- 2. four million dollars (\$4,000,000) to continue planning, designing and constructing facilities and facility improvements, including communications infrastructure, signage and exhibits, at museums and monuments statewide.

Section 10. CUMBRES AND TOLTEC SCENIC RAILROAD COMMISSION PROJECTS--SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1 of this act, upon certification by the Cumbres and Toltec scenic railroad commission that the need exists for the .176194.1

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issuance of the bonds, the following amounts are appropriated to the Cumbres and Toltec scenic railroad commission for the following purposes:

- five hundred thousand dollars (\$500,000) to upgrade the track and railbed of the Cumbres and Toltec scenic railroad in Rio Arriba county; and
- one hundred thousand dollars (\$100,000) to plan and design a visitors' center for the Cumbres and Toltec scenic railroad in Chama in Rio Arriba county.

Section 11. ELEVENTH JUDICIAL DISTRICT COURT PROJECT --SEVERANCE TAX BONDS. -- Pursuant to the provisions of Section 1 of this act, upon certification by the eleventh judicial district court that the need exists for the issuance of the bonds, three hundred thousand dollars (\$300,000) is appropriated to the eleventh judicial district court to furnish and equip, including security and camera systems, the eleventh judicial court in San Juan county.

Section 12. ECONOMIC DEVELOPMENT DEPARTMENT PROJECT --SEVERANCE TAX BONDS. -- Pursuant to the provisions of Section 1 of this act, upon certification by the economic development department that the need exists for the issuance of the bonds, one million dollars (\$1,000,000) is appropriated to the economic development department for mainstreet infrastructure projects statewide.

Section 13. PUBLIC EDUCATION DEPARTMENT PROJECTS --.176194.1

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SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1 of this act, upon certification by the public education department that the need exists for the issuance of the bonds, the following amounts are appropriated to the public education department for the following purposes:

- two million dollars (\$2,000,000) to construct pre-kindergarten classrooms statewide; and
- two million dollars (\$2,000,000) to purchase and equip school buses statewide.

Section 14. STATE PARKS DIVISION OF THE ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT PROJECT -- SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1 of this act, upon certification by the state parks division of the energy, minerals and natural resources department that the need exists for the issuance of the bonds, two million dollars (\$2,000,000) is appropriated to the state parks division of the energy, minerals and natural resources department to construct, equip and furnish repairs and improvements to state parks, including parking lots and roads, statewide.

Section 15. OFFICE OF THE STATE ENGINEER PROJECTS--SEVERANCE TAX BONDS. -- Pursuant to the provisions of Section 1 of this act, upon certification by the office of the state engineer that the need exists for the issuance of the bonds, the following amounts are appropriated to the office of the state engineer for the following purposes:

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- 1. two million dollars (\$2,000,000) to plan, design and construct the removal and repair of unsafe dams statewide, including completing Ponderosa dam; and
- 2. five hundred thousand dollars (\$500,000) to purchase and install ground water and surface water meters for measurement statewide.

Section 16. STATE FAIR COMMISSION PROJECT--SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1 of this act, upon certification by the state fair commission that the need exists for the issuance of the bonds, five million dollars (\$5,000,000) is appropriated to the state fair commission for a facilities master plan and to plan, design, construct, equip and furnish improvements to facilities and grounds at the New Mexico state fairgrounds in Albuquerque in Bernalillo county.

Section 17. DEPARTMENT OF FINANCE AND ADMINISTRATION
PROJECT--AFFORDABLE HOUSING ACT--SEVERANCE TAX BONDS.--Pursuant
to the provisions of Section 1 of this act, upon certification
by the department of finance and administration that the need
exists for the issuance of the bonds, one million dollars
(\$1,000,000) is appropriated to the department of finance and
administration for infrastructure projects statewide pursuant
to the Affordable Housing Act.

Section 18. DEPARTMENT OF GAME AND FISH PROJECT-SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1
of this act, upon certification by the department of game and
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fish that the need exists for the issuance of the bonds, one million dollars (\$1,000,000) is appropriated to the department of game and fish for renovations to the Lake Roberts dam and spillway in Grant county.

Section 19. DEPARTMENT OF INFORMATION TECHNOLOGY PROJECTS--SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1 of this act, upon certification by the department of information technology that the need exists for the issuance of the bonds, the following amounts are appropriated to the department of information technology for the following purposes:

- eight hundred thousand dollars (\$800,000) for equipment upgrades to the telecommunications network statewide;
- 2. nine hundred thousand dollars (\$900,000) for telephone system upgrades, including replacing switches, statewide;
- three million dollars (\$3,000,000) for improvements and equipment to upgrade the technology and infrastructure to the enterprise email system for state government agencies statewide; and
- one million dollars (\$1,000,000) to plan, design and construct the digital microwave conversion project to convert from an analog to a digital microwave network statewide.

Section 20. TRIBAL INFRASTRUCTURE PROJECT FUND PROJECT --.176194.1

SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1 of this act, upon certification by the department of finance and administration that the need exists for the issuance of the bonds, two million five hundred thousand dollars (\$2,500,000) is appropriated to the tribal infrastructure project fund for expenditure in fiscal year 2009 and subsequent fiscal years for qualified projects pursuant to the provisions of the Tribal Infrastructure Act.

Section 21. DRINKING WATER STATE REVOLVING LOAN FUND PROJECT--GENERAL FUND.--One million five hundred thousand dollars (\$1,500,000) is appropriated from the general fund to the drinking water state revolving loan fund for expenditure in fiscal year 2009 and subsequent fiscal years to carry out the provisions of the Drinking Water State Revolving Loan Fund Act and to provide state matching funds for federal Safe Drinking Water Act projects.

Section 22. EDUCATIONAL RETIREMENT BOARD PROJECT-EDUCATIONAL RETIREMENT FUND.--Two million five hundred thousand dollars (\$2,500,000) is appropriated from the educational retirement fund to the educational retirement board for expenditure in fiscal years 2009 through 2013, unless otherwise provided in Section 2 of this act, to acquire land for and plan, design, construct and renovate a building for the educational retirement board in Santa Fe in Santa Fe county.

Section 23. DEPARTMENT OF GAME AND FISH PROJECT--GAME .176194.1

PROTECTION FUND.--Seven hundred thousand dollars (\$700,000) is appropriated from the game protection fund to the department of game and fish for expenditure in fiscal years 2009 through 2013, unless otherwise specified in Section 2 of this act, to purchase an aircraft.

Section 24. MINERS' HOSPITAL PROJECT--MINERS' TRUST FUND.--One million dollars (\$1,000,000) is appropriated from the miners' trust fund to the board of trustees of the miners' hospital for expenditure in fiscal years 2009 through 2013, unless otherwise provided for in Section 2 of this act, for an automated pharmaceutical dispensing system at the miners' hospital in Raton in Colfax county.

Section 25. DEPARTMENT OF TRANSPORTATION PROJECTS--STATE ROAD FUND.--One million four hundred fifty thousand dollars (\$1,450,000) is appropriated from the state road fund to the department of transportation for expenditure in fiscal years 2009 through 2013, unless otherwise provided for in Section 2 of this act, in the following amounts for the following purposes:

- 1. one hundred thousand dollars (\$100,000) for improvements and expansion of the administrative services facility in district 2, including electrical, mechanical and communications systems, in Roswell in Chaves county;
- 2. fifty thousand dollars (\$50,000) for
 improvements to the hilltop construction office in district 3
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in Albuquerque in Bernalillo county;

3. nine hundred fifty thousand dollars (\$950,000) to plan, design and construct the patrol facility in district 5 in Tierra Amarilla in Rio Arriba county; and

three hundred fifty thousand dollars (\$350,000) for purchase, installation and construction of salt storage facilities statewide.

Section 26. PROJECT SCOPE--EXPENDITURES.--If an appropriation for a project authorized in this act is not sufficient to complete all the purposes specified, the appropriation may be expended for any portion of the purposes specified in the appropriation. Expenditures shall not be made for purposes other than those specified in the appropriation.

Section 27. ART IN PUBLIC PLACES. -- Pursuant to Section 13-4A-4 NMSA 1978 and where applicable, the appropriations authorized in this act include one percent for the art in public places fund.

Section 28. EMERGENCY.--It is necessary for the public peace, health and safety that this act take effect immediately.

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