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HOUSE BILL 268

49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010

INTRODUCED BY

Jim R. Trujillo

AN ACT

RELATING TO PUBLIC FINANCE; AUTHORIZING THE ISSUANCE OF SEVERANCE TAX BONDS AND SUPPLEMENTAL SEVERANCE TAX BONDS; RECONCILING CONFLICTING AMENDMENTS TO THE SAME SECTION OF LAW IN LAWS 2001 BY REPEALING LAWS 2001, CHAPTER 37, SECTION 1; MAKING APPROPRIATIONS; DECLARING AN EMERGENCY.

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

Section 1. Section 7-27-12 NMSA 1978 (being Laws 1961, Chapter 5, Section 10, as amended by Laws 2001, Chapter 37, Section 1 and by Laws 2001, Chapter 338, Section 1) is amended to read:

"7-27-12. WHEN SEVERANCE TAX BONDS TO BE ISSUED.--

A. The state board of finance shall issue and sell all severance tax bonds when authorized to do so by any law that sets out the amount of the issue and the recipient of the

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1 money.

2 B. The state board of finance shall also issue and
3 sell severance tax bonds authorized by Sections 72-14-36
4 through 72-14-42 NMSA 1978, and such authority as has been
5 given to the interstate stream commission to issue and sell
6 such bonds is transferred to the state board of finance. The
7 state board of finance shall issue and sell all severance tax
8 bonds only when so instructed by resolution of the governing
9 body or by written direction from an authorized officer of the
10 recipient of the bond money.

11 C. Except as provided in Subsection D or E of this
12 section, proceeds from supplemental severance tax bonds shall
13 be used only for public school capital outlay projects pursuant
14 to the Public School Capital Outlay Act or the Public School
15 Capital Improvements Act.

16 D. Proceeds from supplemental severance tax bonds
17 issued pursuant to Paragraph (2) of Subsection A of Section 19
18 of Chapter 6 of Laws 1999 (1st S.S.) shall be used for the
19 purposes specified in that paragraph.

20 E. Proceeds from supplemental severance tax bonds
21 issued pursuant to Section 2 of this 2010 act shall be used for
22 the purposes specified in that section.

23 [~~E.~~] F. Except as provided in Subsection [~~F.~~] G or H
24 of this section, the state board of finance shall issue and
25 sell all supplemental severance tax bonds when so instructed by

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1 resolution of the public school capital outlay council pursuant
2 to Section 7-27-12.2 NMSA 1978.

3 ~~[F.]~~ G. The state board of finance shall issue and
4 sell supplemental severance tax bonds authorized by Paragraph
5 (2) of Subsection A of Section 19 of Chapter 6 of Laws 1999
6 (1st S.S.) when so instructed by resolution of the ~~[commission~~
7 ~~er]~~ higher education department.

8 H. The state board of finance shall issue and sell
9 the supplemental severance tax bonds authorized in Section 2 of
10 this 2010 act upon the certification of the secretary of
11 finance and administration."

12 Section 2. [NEW MATERIAL] SEVERANCE TAX BONDS,
13 SHORT-TERM SEVERANCE TAX BONDS AND SHORT-TERM SUPPLEMENTAL
14 SEVERANCE TAX BONDS--AUTHORIZATIONS--APPROPRIATION OF
15 PROCEEDS.--In fiscal year 2011, the state board of finance may
16 issue and sell severance tax bonds with a term that does not
17 extend beyond the end of the fiscal year or supplemental
18 severance tax bonds with a term that does not extend beyond the
19 end of the fiscal year, or a combination of severance tax bonds
20 and supplemental severance tax bonds, in compliance with the
21 Severance Tax Bonding Act, in an aggregate amount not to exceed
22 one hundred million dollars (\$100,000,000) when the secretary
23 of finance and administration certifies the need for the bonds.
24 The state board of finance shall schedule the issuance and sale
25 of the bonds in the most expeditious and economical manner

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1 possible. The state board of finance shall further take the
2 appropriate steps necessary to comply with the Internal Revenue
3 Code of 1986, as amended. Proceeds from the sale of the bonds
4 are appropriated to the general fund. The board of finance
5 division of the department of finance and administration shall
6 transfer the proceeds to the general fund for use by the
7 department of finance and administration in fiscal year 2011 to
8 restore the allotments made from the general fund for capital
9 project general fund appropriations that were enacted in prior
10 sessions of the legislature and that had an expenditure period
11 ending on or after June 30, 2010.

12 Section 3. REPEAL.--Laws 2001, Chapter 37, Section 1 is
13 repealed.

14 Section 4. EMERGENCY.--It is necessary for the public
15 peace, health and safety that this act take effect immediately.

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