

HOUSE BILL 344

54TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2020

INTRODUCED BY

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This document incorporates amendments that have been adopted during the current legislative session. The document is a tool to show the amendments in context and is not to be used for the purpose of amendments.

AN ACT

RELATING TO HIGHWAYS; CREATING THE URGENT NEED HIGHWAY PROJECT FUND; PROVIDING DEFINITIONS; DISTRIBUTING REVENUE IN EXCESS OF A FIVE-YEAR AVERAGE OF MONEY RECEIVED BY THE STATE PURSUANT TO THE FEDERAL MINERAL LEASING ACT TO THE URGENT NEED HIGHWAY PROJECT FUND; REQUIRING A REPORT; MAKING AN APPROPRIATION.

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

SECTION 1. [NEW MATERIAL] URGENT NEED HIGHWAY PROJECT FUND CREATED--DISBURSEMENT--APPROPRIATION.--

A. As used in this section, "urgent need highway

.216033.4AIC February 11, 2020 (4:58pm)

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project" means a project that will improve, reconstruct or maintain a part of the state highway system that:

(1) the department of transportation's safety network screening process has determined is a high priority based on crash data and annual daily traffic volume;

(2) has fallen below a pavement condition rating of forty-five; or

(3) has fallen below other performance criteria identified in the department's asset management plan.

B. The "urgent need highway project fund" is created in the state treasury. The fund consists of appropriations, distributions from federal Mineral Leasing Act payments, donations, interest from investment of the fund and other money distributed to the fund. The department of transportation shall administer the fund and may establish subaccounts for the fund as it deems necessary. Money in the fund is appropriated to the department of transportation for expenditure as provided in this section. Disbursement from the fund shall only occur when there is a minimum of six million dollars (\$6,000,000) in the fund at the start of a fiscal year. Disbursements from the fund shall be made by warrant of the secretary of finance and administration pursuant to vouchers signed by the secretary of transportation or the secretary's designee. Money in the fund shall not revert at the end of a fiscal year.

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HTPWC→~~C. In a fiscal year in which there is insufficient money for disbursement, money in the urgent need highway project fund shall be invested by the state investment officer as land grant permanent funds are invested pursuant to Chapter 6, Article 8 NMSA 1978. Earnings from investment of the fund shall be credited to the fund.~~←HTPWC

HTPWC→~~D.~~←HTPWC HTPWC→~~C.~~←HTPWC By November 1, 2020 and by November 1 of each year thereafter, the department of transportation shall provide a report on the urgent need highway projects in each state transportation commission district, the projected cost for each project and the status of the urgent need highway project fund.

SECTION 2. [NEW MATERIAL] DISTRIBUTION--URGENT NEED HIGHWAY PROJECT FUND--PAYMENTS PURSUANT TO FEDERAL MINERAL LEASING ACT.--

A. If, by June 30 of each fiscal year, the net receipts for that fiscal year of the money received by the state pursuant to the federal Mineral Leasing Act exceed the annual average amount, and the balance in the state reserves is greater than twenty-five percent of the aggregate recurring appropriations from the general fund estimated for the next fiscal year as determined by the department of finance and administration, twenty-five million dollars (\$25,000,000) of the excess shall be distributed to the urgent need highway project fund. When the excess is less than twenty-five million

dollars (\$25,000,000), all of the excess shall be distributed to the urgent need highway project fund. When there is an excess amount, the distribution shall be made as soon as practicable. When there is not an excess amount, no distribution shall be made. The department of finance and administration shall make the calculation to determine if an excess amount shall be distributed.

B. As used in this section:

(1) "annual average amount" means the total net receipts attributable to money received by the state pursuant to the federal Mineral Leasing Act in the immediately preceding five fiscal years, divided by five; and

(2) "state reserves" means the general fund balances, including all authorized revenues and transfers to the general fund and balances in the appropriation contingency fund, the general fund operating reserve, the tax stabilization reserve and the tobacco settlement permanent fund.

**SECTION 3.** Section 22-8-34 NMSA 1978 (being Laws 1967, Chapter 16, Section 90, as amended) is amended to read:

"22-8-34. FEDERAL MINERAL LEASING FUNDS.--

A. ~~[Except for an annual appropriation to the instructional material fund and to the bureau of geology and mineral resources of the New Mexico institute of mining and technology, and except as provided in Subsection B of this section, all other]~~ Money received by the state pursuant to the

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provisions of the federal Mineral [~~Lands~~] Leasing Act [~~30 USCA 181, et seq.~~] shall be distributed to the public school fund, except as follows:

(1) an annual appropriation to the instructional material fund;

(2) an annual appropriation to the board of regents of the New Mexico institute of mining and technology for the bureau of geology and mineral resources;

(3) the distribution made pursuant to Subsection B of this section; and

(4) the distribution made pursuant to Section 2 of this 2020 act.

B. [~~All~~] Money received by the state as its share of a prepayment of royalties pursuant to 30 U.S.C. 1726(b), as that section may be amended or renumbered, shall be distributed as follows:

(1) a portion of the receipts, estimated by the taxation and revenue department to be equal to the amount that the state would have received as its share of royalties in the same fiscal year if the prepayment had not been made, shall be distributed to the public school fund; and

(2) the remainder shall be distributed to the common school permanent fund."

**SECTION 4. EFFECTIVE DATE.**--The effective date of the provisions of this act is July 1, 2020.

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