

HOUSE TRANSPORTATION, PUBLIC WORKS AND CAPITAL IMPROVEMENTS
COMMITTEE SUBSTITUTE FOR
HOUSE BILL 428

56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023

AN ACT

RELATING TO TRANSPORTATION; CREATING THE TRANSPORTATION TRUST
FUND; PROVIDING FOR DISTRIBUTIONS FROM THE TRANSPORTATION TRUST
FUND TO THE STATE ROAD FUND FOR CERTAIN PROJECTS PRIORITIZED BY
THE DEPARTMENT OF TRANSPORTATION.

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

SECTION 1. [NEW MATERIAL] TRANSPORTATION TRUST FUND
CREATED.--

A. The "transportation trust fund" is created as a
nonreverting fund in the state treasury. The fund consists of
distributions, appropriations, gifts, grants and donations.
Income from investment of the fund shall be credited to the
fund. Money in the fund shall be expended only as provided in
this section.

B. The state investment officer, subject to the

.225493.1

underscored material = new
[bracketed material] = delete

1 approval of the state investment council, shall invest money in
2 the transportation trust fund:

3 (1) in accordance with the prudent investor
4 rule set forth in the Uniform Prudent Investor Act; and

5 (2) in consultation with the state treasurer
6 and the secretary of transportation.

7 C. The state investment officer shall report
8 quarterly to the legislative finance committee and the state
9 investment council on the investments made pursuant to this
10 section. Annually, a report shall be submitted no later than
11 October 1 each year to the legislative finance committee, the
12 revenue stabilization and tax policy committee and any other
13 appropriate interim committees.

14 D. Subject to the availability of funds, on July 1,
15 2026 and each July 1 thereafter, a distribution shall be made
16 from the transportation trust fund to the state road fund in an
17 amount equal to five percent of the average of the year-end
18 market values of the fund for the immediately preceding three
19 calendar years. Money distributed pursuant to this subsection
20 shall be expended only for road projects prioritized by a
21 cooperative and comprehensive process of the department of
22 transportation that aligns with the department's long-range
23 plans and addresses the multimodal needs of New Mexico's
24 transportation customers.

25 E. In addition to the distribution pursuant to

.225493.1

underscoring material = new
~~[bracketed material] = delete~~

1 Subsection D of this section, money in the transportation trust
2 fund may be expended in the event that general fund balances,
3 including all authorized revenues and transfers to the general
4 fund and balances in the general fund operating reserve, the
5 appropriation contingency fund, the tobacco settlement
6 permanent fund, the state-support reserve fund and the tax
7 stabilization reserve, will not meet the level of
8 appropriations authorized from the general fund for a fiscal
9 year. In that event, to avoid an unconstitutional deficit, the
10 legislature may appropriate from the transportation trust fund
11 to the general fund only in the amount necessary to meet
12 general fund appropriations for that fiscal year and only if
13 the legislature has authorized transfers from the appropriation
14 contingency fund, the general fund operating reserve, the tax
15 stabilization reserve and the tobacco settlement permanent fund
16 that exhaust those fund balances.

17 **SECTION 2. EFFECTIVE DATE.**--The effective date of the
18 provisions of this act is July 1, 2023.

19 - 3 -
20
21
22
23
24
25