

FIFTY-SEVENTH LEGISLATURE
FIRST SESSION

PROPOSED AMENDMENT DIRECTED TO A COMMITTEE

March 14, 2025

Madam Chair:

I propose to the SENATE CONSERVATION COMMITTEE the following amendments to

HOUSE BILL 330, as amended

1. Strike House Taxation and Revenue Committee Amendments 1 and 4.
2. On page 1, line 15, before "MAKING", insert "INCREASING SEVERANCE TAX BOND ISSUANCE FOR THE COLONIAS INFRASTRUCTURE PROJECT FUND AND THE TRIBAL INFRASTRUCTURE PROJECT FUND;".
3. On page 11, line 8, strike "four" and insert in lieu thereof "five".
4. On page 14, between lines 24 and 25, insert:

"SECTION 10. Section 7-27-12.5 NMSA 1978 (being Laws 2010, Chapter 10, Section 9, as amended) is amended to read:

"7-27-12.5. AUTHORIZATION FOR SEVERANCE TAX BONDS--PRIORITY FOR INFRASTRUCTURE PROJECTS FOR COLONIAS.--

A. After the annual estimate of severance tax bonding capacity pursuant to Subsection A of Section 7-27-10.1 NMSA 1978, the board of finance division of the department of finance and administration shall allocate the following percentages of the estimated bonding capacity for colonias infrastructure projects:

(1) in 2016, six and one-half percent; and

(2) in 2017 and each subsequent year, [~~four~~] five and one-half percent.

B. The legislature authorizes the state board of finance to issue severance tax bonds in the amount allocated pursuant to this section for use by the colonias infrastructure board to fund the projects. The colonias infrastructure board shall certify to the state board of finance the need for issuance of bonds for colonias infrastructure projects. The state board of finance may issue and sell the bonds in the same manner as other severance tax bonds in an amount not to exceed the authorized amount provided for in this subsection. If necessary, the state board of finance shall take the appropriate steps to comply with the federal Internal Revenue Code of 1986, as amended. Proceeds from the sale of the bonds are appropriated to the colonias infrastructure project fund for the purposes certified by the colonias infrastructure board to the state board of finance.

C. Money from the severance tax bonds provided for in this section shall not be used to pay indirect project costs. Any unexpended balance from proceeds of severance tax bonds issued for a colonias infrastructure project shall revert to the severance tax bonding fund within six months of completion of the project. The colonias infrastructure board shall monitor and ensure proper reversions of the bond proceeds appropriated for the projects.

D. As used in this section, "colonias infrastructure project" means a qualified project under the Colonias Infrastructure Act."".

Respectfully submitted,
