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HOUSE BILL 322

43RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1997

INTRODUCED BY

STEVAN E. PEARCE

AN ACT

RELATING TO CAPITAL EXPENDITURES; AUTHORIZING THE ISSUANCE OF SEVERANCE TAX BONDS FOR STREET IMPROVEMENTS IN HOBBS IN LEA COUNTY; MAKING AN APPROPRIATION; DECLARING AN EMERGENCY.

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

Section 1. SEVERANCE TAX BONDS--PURPOSE FOR WHICH ISSUED-- APPROPRIATION OF PROCEEDS.--The state board of finance may issue and sell severance tax bonds in compliance with the Severance Tax Bonding Act in an amount not exceeding two hundred fifty thousand dollars (\$250,000) when the state highway and transportation department certifies the need for the issuance of the bonds. The state board 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

Underscored material = new
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1 and that the project can proceed to contract within a reasonable
2 time. The state board of finance shall further take the
3 appropriate steps necessary to comply with the Internal Revenue
4 Code of 1986, as amended. The proceeds from the sale of the
5 bonds are appropriated to the state highway and transportation
6 department for the purpose of street improvements in Hobbs
7 located in Lea county. The certification and issuance of bonds
8 is contingent upon the city of Hobbs providing three hundred
9 thousand dollars (\$300,000) in local matching funds. Any
10 unexpended or unencumbered balance remaining at the end of
11 fiscal year 2000 shall revert to the severance tax bonding fund.
12 If the state highway and transportation department has not
13 certified the need for the issuance of the bonds by the end of
14 fiscal year 1999, the authorization provided in this section
15 shall be void.

16 Section 2. EMERGENCY.--It is necessary for the public
17 peace, health and safety that this act take effect immediately.