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HOUSE BILL 1308

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

INTRODUCED BY

BRETT D. JOHNSON

AN ACT

RELATING TO WATER; AUTHORIZING THE ISSUANCE OF REVENUE BONDS FOR
HYDROGRAPHIC SURVEYS USED FOR DETERMINATION OF WATER RIGHTS;
AMENDING SECTIONS OF THE NMSA 1978.

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

Section 1. Section 72-14-4 NMSA 1978 (being Laws 1935,
Chapter 24, Section 1, as amended) is amended to read:

"72-14-4. BUDGET AND PLAN SUBMITTED TO GOVERNOR
ANNUALLY. --The interstate stream commission shall annually
prepare and submit a budget together with a complete and
detailed plan looking toward the improvement ~~[of the channel]~~ of
the Rio Grande in this state, and increasing the surface flow of
water in the river, during the ensuing fiscal year. ~~[Such]~~ The
plan and budget shall be submitted annually in accordance with
the provisions of Sections ~~[11-4-1.1 through 11-4-7.8 NMSA 1953]~~

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1 6-3-1 through 6-3-22 NMSA 1978 "

2 Section 2. Section 72-14-5 NMSA 1978 (being Laws 1935,
3 Chapter 24, Section 2, as amended) is amended to read:

4 "72-14-5. ANNUAL EXPENDITURES MADE UNDER BUDGET AND
5 PLAN. --The interstate stream commission shall annually expend
6 from the [~~moneys hereinafter~~] money appropriated, within the
7 [~~moneys~~] money actually available and within the budget
8 submitted and approved, in accordance with the provisions of
9 Sections [~~11-4-1.1 through 11-4-7.8 NMSA 1953~~] 6-3-1 through
10 6-3-22 NMSA 1978, such sum [~~or sums~~] as may be necessary for the
11 improvement [~~of the channel~~] of the Rio Grande in this state,
12 and increasing the surface flow of water in the river; and in
13 accordance with the plan submitted by [~~said~~] the commission. "

14 Section 3. Section 72-14-6 NMSA 1978 (being Laws 1935,
15 Chapter 24, Section 3, as amended) is amended to read:

16 "72-14-6. APPROPRIATION--HOW DISBURSEMENTS ARE TO BE
17 MADE. --There is [~~hereby~~] appropriated annually all [~~moneys~~]
18 money in the improvement of the Rio Grande income fund or as
19 much thereof as may be necessary for the purpose of complying
20 with Sections [~~75-34-4 through 75-34-6 NMSA 1953~~] 72-14-4
21 through 72-14-6 and 72-14-9 through 72-14-28 NMSA 1978 and to
22 fulfill and carry out [~~its~~] their purposes and intentions. The
23 appropriations [~~herein~~] authorized shall be paid, from time to
24 time as may be necessary, upon vouchers approved by the
25 interstate stream commission. "

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1 Section 4. Section 72-14-9 NMSA 1978 (being Laws 1955,
2 Chapter 266, Section 1) is amended to read:

3 "72-14-9. DEFINITIONS. -- As used in ~~[this act, the~~
4 ~~following words and terms shall have the following meanings]~~
5 Sections 72-14-9 through 72-14-28 NMSA 1978

6 ~~[(a) The word]~~ A. "engineer" ~~[shall mean]~~ or "state
7 engineer" means the state engineer ~~[of the state]~~ of New Mexico;

8 ~~[(b) The word]~~ B. "commission" ~~[shall mean]~~ means
9 the ~~[New Mexico]~~ interstate stream commission or other
10 department or agency which may be created and charged with the
11 duties and functions of ~~[said]~~ the commission;

12 ~~[(c) The word]~~ C. "works" ~~[shall be deemed to~~
13 ~~include]~~ includes all property, rights, easements and franchises
14 relating thereto and deemed necessary or convenient for their
15 operation, and all water rights acquired or exercised by the
16 commission in connection with such works, and shall embrace all
17 means of conserving and distributing water, including, without
18 limiting the generality of the foregoing, reservoirs, dams,
19 diversion canals, distributing canals, lateral ditches, pumping
20 units, wells, mains, pipelines and waterworks systems and shall
21 include all such works for the conservation, development,
22 storage, distribution and utilization of water, including,
23 without limiting the generality of the foregoing, works for the
24 purpose of irrigation, development of power, watering of stock,
25 supplying of water for public, domestic, industrial and other

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1 uses, [~~and~~] for fire protection and for the purpose of obtaining
2 hydrographic surveys used by the state engineer for determining
3 water rights;

4 [~~(d) The term~~] D. "cost of works" [~~shall embrace~~]
5 includes the cost of construction; the cost of all lands,
6 property, rights, easements and franchises acquired which are
7 deemed necessary for such construction; the cost of all water
8 rights acquired or exercised by the commission in connection
9 with [~~such works~~] a project; the cost of all machinery and
10 equipment, financing charges, interest prior to and during
11 construction and for a period not exceeding three [~~(3)~~] years
12 after the completion of construction; the cost of engineering
13 and legal expenses, plans, specifications, surveys, estimates of
14 cost and other expenses necessary or incident to determining the
15 feasibility or [~~practicability~~] practicability of any project; and
16 administrative expense and such other expenses as may be
17 necessary or incident to the financing [~~herein authorized~~] and
18 the [~~construction of the works~~] completion of a project and the
19 placing of the [~~same~~] project in operation;

20 [~~(e) The word~~] E. "owner" [~~shall include~~] includes
21 all individuals, irrigation districts, incorporated companies,
22 societies or associations having any title or interest in any
23 properties, rights, easements or franchises to be acquired; and

24 [~~(f) The word~~] F. "project" [~~shall mean~~] means any
25 one of the works [~~hereinabove~~] defined in this section or any

1 combination of such works which are ~~[physically connected or]~~
2 jointly managed and operated as a single unit. "

3 Section 5. Section 72-14-11 NMSA 1978 (being Laws 1955,
4 Chapter 266, Section 3) is amended to read:

5 "72-14-11. PROJECTS USING REVENUE BOND PROCEEDS

6 AUTHORIZED. --

7 A. The commission is ~~[hereby]~~ authorized to
8 ~~[construct]~~ conduct, whenever it ~~[shall deem]~~ deems such
9 ~~[construction]~~ project expedient, any ~~[works as hereinabove~~
10 ~~defined]~~ project, the cost of ~~[such construction]~~ which is to be
11 paid wholly by means of or with the proceeds of revenue bonds
12 ~~[hereinafter]~~ authorized, or in connection with a grant to aid
13 in financing such ~~[construction]~~ project from the United States
14 ~~[of America]~~ or any instrumentality or agency thereof, or with
15 other funds provided under the authority of ~~[this act]~~ Sections
16 72-14-9 through 72-14-28 NMSA 1978. If revenues from the
17 project are intended to pay the cost of maintaining, repairing
18 and operating the project and to pay the principal and interest
19 of revenue bonds that may be issued for the cost of the project
20 before ~~[constructing]~~ conducting any project, the commission
21 shall make estimates of the cost of the project, of the cost of
22 maintaining, repairing and operating the ~~[same]~~ project and of
23 the revenues to be derived ~~[therefrom]~~ from the project, and no
24 such project shall be ~~[constructed]~~ conducted unless, according
25 to ~~[such]~~ the estimates, the revenues to be derived ~~[therefrom]~~

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1 will be sufficient to pay the cost of maintaining, repairing and
2 operating the ~~[same]~~ the project and, if no other revenues are
3 to be pledged to repayment of bonds that may be issued for the
4 cost of the project, to pay the principal and interest of
5 revenue bonds which may be issued for the cost of such project;
6 provided, however, that in connection with the issuance of any
7 of ~~[such]~~ the bonds, the failure of the commission to make the
8 estimates required by this section or to make ~~[same]~~ the
9 estimates in proper form shall in no way affect the validity or
10 enforceability of any such bonds or of the trust indenture,
11 resolution or other security ~~[therefor]~~ for the bonds.

12 B. The purpose of ~~[this act]~~ Sections 72-14-9
13 through 72-14-28 NMSA 1978 is to meet ~~[so far as possible]~~ a
14 statewide need for the conservation and use of water through
15 ~~[the construction and operation of]~~ projects designed or
16 intended for such purposes. The commission is ~~[therefor]~~
17 empowered to make such investigations as may be necessary to
18 plan and carry out a comprehensive statewide program of water
19 conservation; provided, however, that ~~[this Act]~~ those sections
20 shall not be construed to repeal or amend by implication or
21 otherwise the provisions of law ~~[heretofore]~~ enacted with
22 respect to permits for the acquisition of water rights, permits
23 for the change in place or method of use of water or permits for
24 the construction of works ~~[and provided further that no project~~
25 ~~shall be authorized in an underground water basin not so~~

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1 ~~declared by the state engineer unless there has been notice,~~
2 ~~publication and hearing held as provided by law in the case of~~
3 ~~application to appropriate water in declared underground water~~
4 ~~basins].~~ The projects to be finally [~~constructed~~] conducted
5 shall qualify as parts of such statewide program and, if
6 applicable shall be approved by the commission upon the showing
7 of their prospective ability to meet, through the sale of water
8 or other services, the cost of operation, maintenance and repair
9 and the amortization of the cost of the [~~construction~~] project;
10 provided, however, that the failure of the commission to
11 determine such prospective ability of a project shall in no way
12 affect the validity or enforceability of any such bonds. "

13 Section 6. Section 72-14-13 NMSA 1978 (being Laws 1955,
14 Chapter 266, Section 5, as amended) is amended to read:

15 "72-14-13. WATER CONSERVATION REVENUE BONDS AUTHORIZED--
16 EXTENT OF STATE OBLIGATION. --

17 A. The commission, with the approval of the state
18 board of finance, is [~~hereby~~] authorized to provide by
19 resolution [~~at one time or from time to time~~] for the issuance
20 of water conservation revenue bonds of the state for the purpose
21 of paying the cost, as [~~hereinabove~~] defined in Section 72-14-9
22 NMSA 1978, of any one or more [~~such public works~~] projects. The
23 principal of and interest [~~of which~~] on revenue bonds shall be
24 payable solely from the special fund [~~herein~~] to be provided for
25 such payment. [~~Such~~] Revenue bonds shall mature at such time

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1 ~~[or times]~~, not more than fifty years from their date, ~~[or~~
2 ~~dates]~~ as may be fixed by ~~[such]~~ the resolution, but may be made
3 redeemable before maturity at the option of the state, to be
4 exercised by the commission, at such price ~~[or prices]~~ and under
5 such terms and conditions as may be fixed by the ~~[board]~~
6 commission prior to the issuance of the bonds. The ~~[board]~~
7 commission shall determine the rate of interest ~~[such bonds~~
8 ~~shall bear, not exceeding six percent per annum]~~ not in excess
9 of the maximum net effective interest rate permitted by the
10 Public Securities Act or the Public Securities Short-Term
11 Interest Rate Act on such bonds, the time ~~[or times]~~ of payment
12 of such interest, the form of the bonds ~~[and the interest~~
13 ~~coupons to be attached thereto]~~ and the manner of executing the
14 bonds ~~[and coupons]~~, and shall fix the denomination ~~[or~~
15 ~~denominations]~~ of the bonds and the place ~~[or places]~~ of payment
16 of principal and interest thereof ~~[which may be at any bank or~~
17 ~~trust company within or without the state].~~

18 B. All bonds issued under ~~[this act]~~ Sections
19 72-14-9 through 72-14-28 NMSA 1978 shall contain a statement on
20 their ~~[face]~~ faces that the state shall not be obligated to pay
21 the ~~[same]~~ bonds or the interest ~~[thereon]~~ on the bonds except
22 from the ~~[special sinking]~~ "debt service fund" hereinafter set
23 forth ~~[and any other moneys pledged therefor]~~. In case any of
24 the officers whose signatures appear on the bonds ~~[or coupons~~
25 ~~shall]~~ cease to be ~~[such]~~ officers before the delivery of ~~[such]~~

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1 the bonds, [~~such~~] the signatures shall nevertheless be valid and
2 sufficient for all purposes, [~~the same~~] as if [~~they~~] the
3 officers had remained in office until [~~such~~] delivery. All
4 [~~such~~] the bonds [~~shall be and shall have and~~] are [~~hereby~~]
5 declared to have all the qualities and incidents of negotiable
6 instruments. [~~Such~~] The bonds shall not constitute or be a
7 debt, liability or obligation of the state, and shall be secured
8 only by the revenues of such works and the funds received from
9 the sale or disposal of water and from the operation, lease,
10 sale or other disposition of the works, property and facilities
11 to be acquired out of the proceeds of such bonds and, if so
12 pledged by the commission, from income credited to the permanent
13 reservoirs for irrigation purposes income fund and the
14 improvement of Rio Grande income fund

15 C. Provisions may be made for the registration of
16 any of the bonds in the [~~name of the owner as to principal alone~~
17 ~~or as to both principal and interest~~] resolution authorizing the
18 bonds. The bonds authorized under the provisions of [~~this act~~]
19 Sections 72-14-9 through 72-14-28 NMSA 1978 may be issued and
20 sold from time to time at a public or private sale to any
21 purchaser, and in such amounts as may be determined by the
22 commission, and the commission may sell the bonds in such manner
23 and for such price as it may determine to be for the best
24 interests of the state. The state [~~treasurer~~] investment
25 officer is [~~hereby~~] authorized to invest the permanent funds of

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1 the state in the bonds [~~herein authorized~~]. The proceeds of
2 such bonds shall be used solely for the payment of the cost of
3 [~~the works~~] a project and shall be [~~checked-out~~] used in such
4 manner and under such restrictions, if any, as the commission
5 may provide.

6 D. If the proceeds of the bonds, by error of
7 calculation or otherwise, [~~shall be~~] are less than the cost of
8 the [~~works~~] project, additional bonds may in like manner be
9 issued to provide the amount of such deficit and, unless
10 otherwise provided in the resolution authorizing the bonds,
11 shall be deemed to be of the same issue and shall be entitled to
12 payment from the same fund without preference or priority of the
13 bonds first issued for the same [~~works~~] project. If the
14 proceeds of bonds issued for any such [~~works shall~~] project
15 exceed the cost [~~thereof~~] of the project, the surplus shall be
16 paid into the debt service fund [~~hereinafter~~] provided for the
17 payment of principal and interest of such bonds. Prior to the
18 preparation of definitive bonds, the [~~board~~] commission may
19 [~~under like restrictions~~] issue temporary bonds [~~with or without~~
20 coupons] exchangeable for definitive bonds when such bonds have
21 been executed and are available for delivery. Such bonds may be
22 issued without any other proceedings or the happening of any
23 other conditions or things than those proceedings, conditions
24 and things which are specified and required by [~~this act~~]
25 Sections 72-14-9 through 72-14-28 NMSA 1978 or by the

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1 constitution of ~~[the state]~~ New Mexico.

2 E. Each resolution providing for the issuance of
3 bonds shall set forth a project ~~[or projects]~~ for which the
4 bonds are to be issued, and the bonds authorized by each such
5 resolution shall constitute a separate series. The bonds of
6 each series shall be identified by a series number or letter ~~[or~~
7 ~~letters]~~ and may be sold and delivered at one time or from time
8 to time."

9 Section 7. Section 72-14-14 NMSA 1978 (being Laws 1955,
10 Chapter 266, Section 6) is amended to read:

11 "72-14-14. REVENUES FROM BONDS TO BE APPLIED TO COST OF
12 PROJECTS AND ASSOCIATED EXPENSES -- All ~~[moneys]~~ money received
13 from any bonds issued pursuant to ~~[this act]~~ Sections 72-14-9
14 through 72-14-28 NMSA 1978 shall be applied solely to the
15 payment of the cost of the ~~[works]~~ project or to the appurtenant
16 ~~[sinking]~~ debt service fund ~~[and to the administration fund as~~
17 ~~hereinafter provided]~~, and there ~~[shall be and hereby]~~ is
18 created and granted a lien upon such ~~[moneys]~~ money until so
19 applied in favor of the holders of the bonds or the trustee
20 ~~[hereinafter]~~ provided for in respect of such bonds."

21 Section 8. Section 72-14-15 NMSA 1978 (being Laws 1955,
22 Chapter 266, Section 7) is amended to read:

23 "72-14-15. FUNDS ESTABLISHED. -- The commission shall
24 ~~[create a fund to be known as "administration fund" and shall~~
25 ~~also]~~ create three ~~[-3-]~~ separate funds in respect of the bonds

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1 of each series: one fund to be known as the [~~construction~~]
2 "project fund, series"; another fund to be
3 known as the [~~water~~] "income fund, series "; and
4 another fund to be known as the [~~sinking~~] "debt service fund,
5 series "; each [~~such~~] fund to be identified by the
6 same series number or letter [~~or letters~~] as the bonds of such
7 series. The [~~moneys~~] money in each [~~such~~] fund shall be
8 deposited in such depository [~~or depositories~~] and secured in
9 such manner as may be determined by the [~~board~~] commission. It
10 [~~shall be~~] is lawful for any bank or trust company incorporated
11 under the laws of this state or of the United States to act as
12 such depository and to furnish such indemnifying bonds or to
13 pledge such securities as may be required by the commission. A
14 separate account shall be kept in each [~~construction~~] project
15 fund and in each [~~water~~] income fund for each project. All
16 expenditures not properly chargeable to the [~~construction~~]
17 project fund account or to the [~~water~~] income fund account of
18 any one project shall be charged by the commission in such
19 proportions as it [~~shall determine~~] determines to the
20 [~~construction~~] project fund accounts or to the [~~water~~] income
21 fund accounts, as the case may be, of the projects in respect of
22 which such expenditures were incurred. "

23 Section 9. Section 72-14-16 NMSA 1978 (being Laws 1955,
24 Chapter 266, Section 8) is amended to read:

25 "72-14-16. BOND PROCEEDS TO BE APPROPRIATELY CREDITED --

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1 The proceeds of the bonds of each series issued under the
2 provisions of [~~this act~~] Sections 72-14-9 through 72-14-28 NMSA
3 1978 shall be placed to the credit of the appropriate
4 [~~construction~~] project fund, which fund shall [~~at all times~~] be
5 kept segregated and set apart from all other funds. There shall
6 be credited to the appropriate debt service fund all accrued
7 interest received upon sale of the bonds and there shall also be
8 credited to the appropriate [~~construction~~] project fund [~~all~~
9 ~~accrued interest upon the bonds and~~] the interest received upon
10 the deposits of [~~moneys~~] money in [~~such~~] the project fund and
11 [~~moneys~~] money received by way of grant from the United States
12 or from any other source for the [~~construction of the works~~]
13 project. The [~~moneys~~] money in each [~~construction~~] project fund
14 shall be paid out or disbursed in such manner as may be
15 determined by the commission, subject to the provisions of [~~this~~
16 ~~act~~] those sections, to pay the cost of the [~~works as herein~~
17 ~~above defined. Any surplus which may remain in any construction~~
18 ~~fund after providing for the payment of the cost of the works~~
19 ~~shall be added to and become a part of the appropriate sinking~~
20 ~~fund hereinafter provided for]~~ project and there is hereby
21 appropriated annually the money in each project fund for the
22 purposes intended by the commission "

23 Section 10. Section 72-14-17 NMSA 1978 (being Laws 1955,
24 Chapter 266, Section 9) is amended to read:

25 "72-14-17. COMMISSION TO SET PRICES, RATES OR CHARGES--

1 CONTRACTS-- DISPOSITION OF PROPERTY --

2 A. The commission is [~~hereby~~] authorized [~~and~~
3 ~~empowered~~], subject to the provisions of [~~this act~~] Sections
4 72-14-9 through 72-14-28 NMSA 1978 to fix and establish the
5 prices, rates and charges at which [~~any and all~~] the resources
6 and facilities made available under the provisions of [~~this act~~]
7 those sections shall be sold and disposed of; to enter into [~~any~~
8 ~~and all~~] contracts and agreements, and to do [~~any and all~~]
9 things which in its judgment are necessary, convenient or
10 expedient for the accomplishment of [~~any and all~~] the purposes
11 and objects of [~~this act~~] those sections, under such general
12 regulations and upon such terms, limitations and conditions as
13 it shall [~~prescribed and~~] prescribe. If no other revenues are
14 pledged to repay the bonds, it is [~~and shall be~~] the duty of the
15 [~~board~~] commission to enter into such contracts and fix and
16 establish such prices, rates and charges so as to provide [~~at~~
17 ~~all times~~] funds [~~which~~] that will be sufficient to pay [~~all~~]
18 costs of operation and maintenance [~~of any and all~~] of the works
19 authorized by [~~this act~~] those sections, together with necessary
20 repairs thereto, and [~~which~~] that will provide [~~at all times~~]
21 sufficient funds to meet and pay the principal and interest of
22 all bonds as they severally become due and payable; provided
23 that nothing contained in [~~this act~~] Sections 72-14-9 through
24 72-14-28 NMSA 1978 shall authorize any change, alteration or
25 revision of any such rates, prices or charges as established by

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1 any contract entered into under authority of ~~[this act]~~ those
2 sections except as provided by any such contract.

3 B. Every contract made by the commission for the
4 sale of water, use of water, water storage or other service or
5 for the sale of any property or facilities shall provide that in
6 the event of ~~[any]~~ failure or default in the payment of ~~[any~~
7 ~~moneys]~~ money specified in ~~[such]~~ the contract to be paid to the
8 commission, the commission may, upon such notice as shall be
9 prescribed in ~~[such]~~ the contract, terminate ~~[such]~~ the contract
10 and all obligations ~~[thereunder]~~ under it. The act of the
11 commission in ceasing on any ~~[such]~~ default to furnish or
12 deliver water, use of water, water storage or other service
13 under ~~[such]~~ the contract shall not deprive the commission of or
14 limit any remedy provided by such contract or by law for the
15 recovery of ~~[any and all moneys]~~ money due or which may become
16 due under ~~[such]~~ the contract.

17 C. The commission is empowered to sell or otherwise
18 dispose of any rights of way, easements or property when it
19 ~~[shall determine]~~ determines that the same is no longer needed
20 for the purposes of ~~[this act]~~ Sections 72-14-9 through 72-14-28
21 NMSA 1978, or to lease or rent the same or to otherwise take and
22 receive the income or profit and revenue therefrom. All income
23 or profit and revenue of the works and all ~~[moneys]~~ money
24 received from the sale or disposal of water, use of water, water
25 storage or other service and from the operation, lease, sale or

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1 other disposition of the works, property and facilities acquired
2 under the provisions of [~~this act~~] those sections shall be paid
3 to the credit of the appropriate [~~water~~] income fund. "

4 Section 11. Section 72-14-18 NMSA 1978 (being Laws 1955,
5 Chapter 266, Section 10) is amended to read:

6 "72-14-18. DEBT SERVICE FUND--PAYMENTS INTO FUND--FUND
7 PLEGED FOR PAYMENT OF INTEREST, FISCAL CHARGES AND REPAYMENT OF
8 PRINCIPAL. --The commission shall provide, in the proceedings
9 authorizing the issuance of each series of bonds, for the paying
10 into the appropriate [~~sinking~~] debt service funds at stated
11 intervals money from other revenues pledged to repay the bonds
12 or all [~~moneys~~] money then remaining in the [~~water~~] income fund,
13 after paying all cost of operation, maintenance and repairs of
14 the works. All [~~moneys~~] money in each [~~sinking~~] debt service
15 fund shall be pledged for the payment of and used only for the
16 purpose of paying:

17 [~~(a)~~] A. interest upon the bonds as such interest
18 [~~shall fall~~] falls due; [~~and~~

19 [~~(b)~~] B. the necessary fiscal agency charges for
20 paying bonds and interest; [~~and~~

21 [~~(c)~~] C. the principal of the bonds as they fall due;
22 and

23 [~~(d)~~] D. any premiums upon bonds retired by call or
24 purchase as herein provided.

25 Prior to the issuance of the bonds of each series, the

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1 [board] commission may provide by resolution for using the
2 [sinking] debt service fund or any part thereof in the purchase
3 of any of the outstanding bonds payable therefrom at the
4 [marked] market price thereof [~~but not exceeding the price, if~~
5 ~~any, at which the same shall, at the next interest date, be~~
6 ~~payable or redeemable, and all bonds redeemed or purchased shall~~
7 ~~forthwith be cancelled and no bonds shall be issued in place~~
8 thereof]. The [moneys] money in each [sinking] debt
9 service fund, less such reserve as may be provided for in the
10 resolution authorizing the bonds for the payment of interest
11 [and/or], principal, or both, if not used within a reasonable
12 time for the purchase of bonds [~~for cancellation~~] as [above]
13 provided in this section, shall be applied to the redemption of
14 bonds then subject to redemption at the redemption price then
15 applicable. "

16 Section 12. Section 72-14-19 NMSA 1978 (being Laws 1955,
17 Chapter 266, Section 11) is amended to read:

18 "72-14-19. PERMANENT RESERVOIRS FOR IRRIGATION PURPOSES
19 INCOME FUND--RIO GRANDE INCOME FUND--APPROPRIATION -- [~~In~~
20 ~~addition So much of~~] Each year's income [creditable] credited to
21 the permanent reservoirs for irrigation purposes income fund [as
22 ~~shall be necessary for the purposes hereinabove enumerated~~ and
23 the improvement of Rio Grande income fund may be pledged
24 irrevocably to the payment of the principal of and interest on
25 revenue bonds by the commission with the approval of the state

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1 board of finance, and there [~~is hereby~~] are irrevocably
2 appropriated to the commission [~~sufficient~~] amounts from [~~said~~
3 ~~fund~~] the funds for [~~said~~] such purposes. The commission shall
4 provide in the proceedings authorizing the issuance of each
5 series of bonds for the paying into the appropriate [~~sinking~~
6 ~~fund~~] income and debt service funds all [~~moneys~~] money received
7 pursuant [~~hereto~~] to this section. "

8 Section 13. Section 72-14-22 NMSA 1978 (being Laws 1955,
9 Chapter 266, Section 14) is amended to read:

10 "72-14-22. RIGHTS OF BONDHOLDERS-- ENFORCEMENT. -- Any holder
11 of any bonds issued under the provisions of [~~this act or any of~~
12 ~~the coupons attached thereto~~] Sections 72-14-9 through 72-14-28
13 NMSA 1978 except to the extent the rights herein given may be
14 restricted by resolution passed before the issuance of the
15 bonds, may, either at law or in equity, by suit, action,
16 mandamus or other proceeding, protect and enforce any [~~and all~~]
17 rights granted hereunder or under such resolution and may
18 enforce and compel performance of all duties required by [~~this~~
19 ~~act~~] those sections or by such resolution to be performed by the
20 commission. [~~While~~] The state pledges and agrees that while any
21 bonds issued by the commission remain outstanding, the powers,
22 duties or existence of the commission or any official or agency
23 of the state and the distribution of revenues pledged to payment
24 of the bonds to the commission shall not be diminished or
25 impaired in any manner that will affect adversely the interests

.117132.1

1 and rights of the holders of such bonds. The commission is
2 authorized to include this pledge and agreement of the state in
3 any agreement with the holders of the bonds."

4 Section 14. Section 72-14-26 NMSA 1978 (being Laws 1955,
5 Chapter 266, Section 17) is amended to read:

6 "72-14-26. DISPOSITION OF WATER FOR PUBLIC, DOMESTIC,
7 INDUSTRIAL AND OTHER USES. -- In addition to the powers conferred
8 [hereby] upon the commission to sell, lease and otherwise
9 dispose of waters for the purpose of irrigation, development of
10 power, watering of stock or other purposes, the commission shall
11 have power to sell, lease and otherwise dispose of waters from
12 its waterworks systems for public, domestic, industrial and
13 other uses and for fire [prevention. ~~The commission, after the~~
14 ~~discharge of all of the bonds issued by the commission to~~
15 ~~finance the construction or acquisition of any works and of all~~
16 ~~interest thereon and costs and expenses incurred in connection~~
17 ~~with any action or proceeding by or on behalf of the holders of~~
18 ~~such bonds, shall reconvey the same to the grantors thereof]~~
19 protection. "

State of New Mexico
House of Representatives

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FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

March 8, 1997

Mr. Speaker:

Your AGRICULTURE AND WATER RESOURCES COMMITTEE,
to whom has been referred

HOUSE BILL 1308

has had it under consideration and reports same with
recommendation that it DO PASS, and thence referred to the
TAXATION AND REVENUE COMMITTEE.

Underscored material = new
[bracketed material] = delete

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

HAGC/HB 1308

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Respectfully submitted,

G. X. McSherry, Chairman

Adopted _____ Not Adopted _____

(Chief Clerk)

(Chief Clerk)

Date _____

The roll call vote was 5 For 0 Against

Yes: 5

Excused: Abeyta, McSherry, Porter, Townsend

Absent: None

M \ H1308

State of New Mexico House of Representatives

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

March 14, 1997

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7 Mr. Speaker:

8 Your TAXATION AND REVENUE COMMITTEE, to whom has
9 been referred

10 HOUSE BILL 1308

11 has had it under consideration and reports same with
12 recommendation that it DO PASS, amended as follows:

13 1. On page 7, line 18, after "finance" insert "and in
14 accordance with the state board of finance's adopted policies and
15 procedures on financing approvals".

16 2. On page 9, line 21, after "purchaser," insert "including
17 the New Mexico finance authority,".

18 3. On page 19, line 7, after "USES" insert "--RECONVEYANCE
19 TO GRANTORS".

20 4. On page 19, lines 13 through 18, remove the brackets and
21 line-through.

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FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

HTRC/HB 1308

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5. On page 19, line 13, strike "prevention" and insert in lieu thereof "protection".

6. On page 19, line 15, after "works" insert ", except for hydrographic surveys used by the state engineer for determining water rights,".

7. On page 19, line 19, strike "protection".

Respectfully submitted,

Jerry W. Sandel, Chairman

Adopted _____

Not Adopted _____

(Chief Clerk)

(Chief Clerk)

Date _____

FORTY- THIRD LEGISLATURE
FIRST SESSION, 1997

HTRC/HB 1308

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The roll call vote was 10 For 0 Against

Yes: 10

Excused: Lujan, Porter, Sandoval

Absent: None

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Underscored material = new
[bracketed material] = delete

State of New Mexico House of Representatives

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

March 14, 1997

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7 Mr. Speaker:

8 Your TAXATION AND REVENUE COMMITTEE, to whom has
9 been referred

10 HOUSE BILL 1308

11 has had it under consideration and reports same with
12 recommendation that it DO PASS, amended as follows:

13 1. On page 7, line 18, after "finance" insert "and in
14 accordance with the state board of finance's adopted policies and
15 procedures on financing approvals".

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FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

HTRC/HB 1308

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5. On page 19, line 13, strike "prevention" and insert in lieu thereof "protection".

6. On page 19, line 15, after "works" insert ", except for hydrographic surveys used by the state engineer for determining water rights,".

7. On page 19, line 19, strike "protection".

Respectfully submitted,

Jerry W. Sandel, Chairman

Adopted _____

Not Adopted _____

(Chief Clerk)

(Chief Clerk)

Date _____

Underscored material = new
[bracketed material] = delete

FORTY- THIRD LEGISLATURE
FIRST SESSION, 1997

HTRC/HB 1308

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The roll call vote was 10 For 0 Against

Yes: 10

Excused: Lujan, Porter, Sandoval

Absent: None

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.117132.1

Underscored material = new
[bracketed material] = delete

FORTY-THIRD LEGISLATURE

FIRST SESSION

March 17, 1997

HOUSE FLOOR AMENDMENT number ___1___ to HOUSE BILL 1308, as amended

Amendment sponsored by Representative Brett D. Johnson

1. On page 1, line 13, after "1978" insert "; MAKING AN APPROPRIATION".

2. On page 7, line 22, after "projects" insert ", subject to the conditions provided for in Subsection F of this section".

3. On page 11, between lines 8 and 9, insert a new subsection to read:

"F. Revenue bonds issued by the commission for obtaining hydrographic surveys used by the state engineer shall mature not later than ten years from their date of issuance. The commission shall issue bonds for hydrographic surveys in a total amount not exceeding four million dollars (\$4,000,000) and in amounts not to exceed two million dollars (\$2,000,000) in any fiscal year commencing July 1, 1998."

FORTY-THIRD LEGISLATURE
FIRST SESSION

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HF/HB 1308, aa

Page 29

4. On page 19, between lines 19 and 20, insert the following new section to read:

"Section 15. APPROPRIATIONS. --

A. One million dollars (\$1,000,000) is appropriated from the irrigation works construction fund to the state engineer for expenditure in fiscal years 1998 and 1999 for the purpose of conducting hydrographic surveys. Any unexpended or unencumbered balance remaining at the end of fiscal year 1999 shall revert to the irrigation works construction fund.

B. Five hundred thousand dollars (\$500,000) is appropriated from the improvement of the Rio Grande income fund to the state engineer for expenditure in fiscal years 1998 and 1999 for the purpose of conducting hydrographic surveys. Any unexpended or unencumbered balance remaining at the end of fiscal year 1999 shall revert to the improvement of the Rio Grande income fund."

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FORTY-THIRD LEGISLATURE
FIRST SESSION

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HF/HB 1308, aa

Page 30

Brett D. Johnson

Adopted _____ Not Adopted _____
(Chief Clerk) (Chief Clerk)

Date _____

Underscored material = new
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FORTY-THIRD LEGISLATURE
FIRST SESSION

HF/ HB 1308, aa

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FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

March 18, 1997

Mr. President:

Your CONSERVATION COMMITTEE, to whom has been referred

HOUSE BILL 1308, as amended

has had it under consideration and reports same with recommendation that
it DO PASS.

Respectfully submitted,

Michael S. Sanchez, Chairman

FORTY-THIRD LEGISLATURE
FIRST SESSION

HF/HB 1308, aa

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2 Adopted _____ Not Adopted _____

3 (Chief Clerk)

(Chief Clerk)

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7 Date _____

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10 The roll call vote was 8 For 0 Against

11 Yes: 8

12 No: None

13 Excused: Eisenstadt, Lyons

14 Absent: None

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Underscored material = new
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