AN ACT

RELATING TO CAPITAL EXPENDITURES; AUTHORIZING THE ISSUANCE OF SEVERANCE TAX BONDS FOR AN ADDITION TO R.V. TRAYLOR ELEMENTARY SCHOOL IN LORDSBURG IN HIDALGO 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 eight hundred thousand four hundred dollars ($800,400) when the state department of public education 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

.116217.1

1 board that the project has been developed sufficiently to

2 justify the issuance and that the project can proceed to

3 contract within a reasonable time. The state board of finance

4 shall further take the appropriate steps necessary to comply

5 with the Internal Revenue Code of 1986, as amended. The

6 proceeds from the sale of the bonds are appropriated to the

7 state department of public education for the purpose of

8 constructing, equipping and furnishing a library-media center

9 addition to R.V. Traylor elementary school located in Hidalgo

10 county. Any unexpended or unencumbered balance remaining at the

11 end of fiscal year 2000 shall revert to the severance tax

12 bonding fund. If the state department of public education has

13 not certified the need for the issuance of the bonds by the end

14 of 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.

18   - 2 -

19

20

21

22

23

24

25

.116217.1