1	SENATE BILL 967						
2	43rd legislature - STATE OF NEW MEXICO - FIRST SESSION, 1997						
3	I NTRODUCED BY						
4	GLORIA HOWES						
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10	AN ACT						
11	RELATING TO THE LOCAL GOVERNMENTS ROAD FUND; MAKING A						
12	DISTRIBUTION OF SPECIAL FUEL EXCISE TAX REVENUES TO THE SCHOOL						
13	BUS ROUTE PROGRAM IN THE LOCAL GOVERNMENTS ROAD FUND; AMENDING						
14	SECTIONS OF THE NMSA 1978.						
15							
16	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:						
17	Section 1. Section 7-1-6.39 NMSA 1978 (being Laws 1995,						
18	Chapter 6, Section 9) is amended to read:						
19	"7-1-6.39. [DISTRIBUTION] <u>DISTRIBUTIONS</u> OF SPECIAL FUEL						
20	EXCISE TAX TO LOCAL GOVERNMENTS ROAD FUND						
21	<u>A.</u> A distribution pursuant to Section 7-1-6.1 NMSA						
22	1978 shall be made to the local governments road fund in an						
23	amount equal to eleven and eleven hundredths percent of the net						
24	receipts attributable to the taxes, exclusive of penalties and						
25	interest, from the special fuel excise tax imposed by the						
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B. A distribution pursuant to Section 7-1-6.1 NMSA
1978 shall be made to the school bus route program in the local
governments road fund in an amount equal to three percent of the
net receipts attributable to the taxes, exclusive of penalties
and interest, from the special fuel excise tax imposed by the
Special Fuels Supplier Tax Act."

Section 2. Section 67-3-28.2 NMSA 1978 (being Laws 1986, Chapter 20, Section 125, as amended) is amended to read:

"67-3-28.2. LOCAL GOVERNMENTS ROAD FUND CREATED--USES.--

A. There is created in the state treasury the "local governments road fund" to be administered by the department. All income received from investment of the fund shall be credited to the fund. No money in the fund shall be used by the department to administer any program, and no entity receiving a distribution pursuant to a program requiring matching funds shall use another distribution made pursuant to this section to meet the match required.

B. No more than five hundred thousand dollars (\$500,000) annually from the local governments road fund shall be used by the department to purchase at fair market value, for municipalities and counties that can demonstrate financial hardship as determined by the department, automotive, major road and miscellaneous equipment that would otherwise be sold at auction by the department as unusable for department purposes.

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The department shall adopt rules setting the procedure to carry out the purposes of this subsection.

Except for the amount in Subsection B of this С. 3 section, money in the local governments road fund shall be 4 distributed in the following amounts for the specified purposes: 5 forty-two percent for the cooperative 6 (1)agreements program, to be used solely for the cooperative 7 8 agreements entered into pursuant to Section 67-3-28 NMSA 1978 9 and in accordance with the match authorized pursuant to Section 10 67-3-32 NMSA 1978; provided, however, that distribution amounts 11 made pursuant to this paragraph in each year shall be based on 12 the following allocations:

(a) thirty-three percent for agreements entered into with counties;

15 (b) forty-nine percent for agreements16 entered into with municipalities;

(c) fourteen percent for agreements entered into with school districts; and

(d) four percent for agreements entered into with other entities;

(2) sixteen percent for the municipal arterial
 program, to be used solely for the necessary project
 development, construction, reconstruction, improvement,
 maintenance, repair and right-of-way and material acquisition of
 and for those streets that are principal extensions of rural

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state highways and of other streets not on the state highway system but that qualify under the designated criteria established by the department. In entering into agreements with municipalities to provide funds for any project qualifying for the municipal arterial program, the department shall give preference to municipalities that contribute an amount equal to at least twenty-five percent of the project cost;

(3) sixteen percent for school bus routes, to be used solely for cooperative agreements entered into pursuant to Section 67-3-28 NMSA 1978 [and in accordance with the match authorized pursuant to Section 67-3-32 NMSA 1978] for acquiring rights of way and constructing, maintaining, repairing, improving and paving school bus routes and public school parking lots; and

(4) twenty-six percent for the county arterial program, to be used for project development, construction, reconstruction, improvement, maintenance, repair and right-ofway and material acquisition of and for county roads for which individual counties have prioritized road projects. Prior to entering into any agreements for projects with the counties for the following fiscal year, in June of each year the department shall determine and certify the amount to which each county is entitled pursuant to the following schedule:

Road Mileage Category Based on

Number of Miles Maintained

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1 By a County: Entitlement to County: 400 miles or under \$250 for each mile 2 401 to 800 miles \$100,000 plus \$200 for each 3 mile over 400 miles 4 801 to 1,200 miles \$180,000 plus \$150 for each 5 6 mile over 800 miles \$240,000 plus \$100 for each 7 1,201 to 1,600 miles mile over 1,200 miles 8 9 Over 1.600 miles \$300,000 plus \$50 for each 10 mile over 1,600 miles.

If in any year there is an insufficient amount in the fund of the county arterial program to certify the total amount to which all counties are entitled, the department shall decrease the entitlement amount due to each county in the same proportion as the insufficiency is to the total entitlements to all Distribution of an entitlement amount and an counti es. agreement entered into with a county for any of the purposes for which the money may be spent requires an amount from the county equal to at least twenty-five percent of the entitlement. Any uncommitted or unencumbered balance remaining in the county arterial program fund at the end of a fiscal year shall be transferred to the cooperative [agreement] agreements program specified in Paragraph (1) of this subsection for additional funding of that program in the next fiscal year.

D. The department may transfer funds from the state

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1	road fund to the local governments road fund to facilitate cash					
2	flow for the funding of these local governments road projects.					
3	The administrator of the local governments road fund shall					
4	reimburse the state road fund in a timely manner for any such					
5	transfers. "					
6	Section 3. EFFECTIVE DATEThe effective date of the					
7	provisions of this act is July 1, 1997.					
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1	FORTY- THIRD LEGISLATURE						
2	FIRST SESSION, 1997 SB 967/a						
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5							
6	March 5, 1997						
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8	Mr. President:						
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10	Your WAYS AND MEANS COMMITTEE, to whom has been						
11	referred						
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13	SENATE BILL 967						
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15	has had it under consideration and reports same with						
16	recommendation that it DO PASS , amended as follows:						
17	recommendation that it by tradid , amended as forrows.						
18							
19	1. On page 1, line 21, strike the underscored "A" and the						
20	peri od.						
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22	2. On page 2, lines 2 through 7, strike Subsection B in its						
23	enti rety. ,						
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25	and thence referred to the FINANCE COMMITTEE.						

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10	Adopted_		Not Adopted	
11		(Chief Clerk)		(Chief Clerk)
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17	The roll	call vote was <u>6</u>	6 For <u>0</u> Against	
18 19	Yes:	6		
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20 21		Duran, McSorley,	Nava	
~1 22	Absent:	None		
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		5	FIRST SESSION, 1997				
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		7					
		8	March 17, 1997				
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		10 11	Mr. President:				
		11					
		13	Your FINANCE COMMITTEE , to whom has been referred				
		14					
		15	SENATE BILL 967, as anended				
		16					
	te	17	has had it under consideration and reports same with recommendation that it DO PASS .				
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		25	Ben D. Altanirano, Chairmn				
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