53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017

INTRODUCED BY

Carlos R. Cisneros

SENATE BILL 101

AN ACT

RELATING TO CAPITAL EXPENDITURES; AUTHORIZING THE ISSUANCE OF SEVERANCE TAX BONDS; AUTHORIZING EXPENDITURES FROM CERTAIN FUNDS AND BALANCES; CLARIFYING CONDITIONS FOR THE ISSUANCE OF BONDS; ESTABLISHING CONDITIONS FOR THE EXPENDITURE OF SEVERANCE TAX BOND PROCEEDS; ESTABLISHING CONDITIONS FOR THE REVERSION OF UNEXPENDED BALANCES; MAKING APPROPRIATIONS; DECLARING AN EMERGENCY.

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

SECTION 1. SEVERANCE TAX BONDS--AUTHORIZATIONS--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 to exceed the total of the amounts authorized for purposes specified in this act. The state board .205614.1

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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 and that the project can proceed to contract within a reasonable time. The state board of finance shall further take the appropriate steps necessary to comply with the federal Internal Revenue Code of 1986, as amended. Proceeds from the sale of the bonds are appropriated for the purposes specified in this act.

- B. The agencies named in this act shall certify to the state board of finance when the money from the proceeds of the severance tax bonds appropriated in this section is needed for the purposes specified in the applicable section of this act. If an agency has not certified the need for severance tax bond proceeds for a particular project by the end of fiscal year 2019, the authorization for that project is void.
- C. Before an agency may certify for the need of severance tax bond proceeds, the project must be developed sufficiently so that the agency reasonably expects to:
- (1) incur within six months after the applicable bond proceeds are available for the project a substantial binding obligation to a third party to expend at least five percent of the bond proceeds for the project; and
- (2) spend at least eighty-five percent of the bond proceeds within three years after the applicable bond .205614.1

proceeds are available for the project.

- D. Except as otherwise specifically provided by law:
- (1) the unexpended balance from the proceeds of severance tax bonds appropriated in this act for a project shall revert to the severance tax bonding fund no later than the following dates:
- (a) for a project for which severance tax bond proceeds were appropriated to match federal grants, six months after completion of the project;
- tax bond proceeds were appropriated to purchase vehicles, including emergency vehicles and other vehicles that require special equipment; heavy equipment; books; educational technology; or other equipment or furniture that is not related to a more inclusive construction or renovation project, at the end of the fiscal year two years following the fiscal year in which the severance tax bond proceeds were made available for the purchase; and
- (c) for any other project for which severance tax bonds were appropriated, within six months of completion of the project, but no later than the end of fiscal year 2021; and
- (2) all remaining balances from the proceeds of severance tax bonds appropriated for a project in this act .205614.1

shall revert to the severance tax bonding fund three months after the latest reversion date specified for that type of project in Paragraph (1) of this subsection.

- E. Except for appropriations to the capital program fund, money from severance tax bond proceeds provided pursuant to this act shall not be used to pay indirect project costs.
- F. Except for a project that was originally funded using a tax-exempt loan or bond issue, a project involving repayment of debt previously incurred shall be funded through the issuance of taxable severance tax bonds with a term that does not extend beyond the fiscal year in which they are issued.
- G. For the purpose of this section, "unexpended balance" means the remainder of an appropriation after reserving for unpaid costs and expenses covered by binding written obligations to third parties.
- SECTION 2. GENERAL FUND AND OTHER FUND APPROPRIATIONS-LIMITATIONS--REVERSIONS.--
- A. Except as otherwise specifically provided by law:
- (1) the unexpended balance of an appropriation made in this act from the general fund or other state funds shall revert no later than the following dates:
- (a) for a project for which an appropriation was made to match federal grants, six months .205614.1

after completion of the project;

(b) for a project for which an appropriation was made to purchase vehicles, including emergency vehicles and other vehicles that require special equipment; heavy equipment; books; educational technology; or other equipment or furniture that is not related to a more inclusive construction or renovation project, at the end of the fiscal year two years following the fiscal year in which the appropriation was made for the purchase; and

- (c) for any other project for which an appropriation was made, within six months of completion of the project, but no later than the end of fiscal year 2021; and
- (2) all remaining balances from an appropriation made in this act for a project shall revert three months after the latest reversion date specified for that type of project in Paragraph (1) of this subsection.
- B. Except for appropriations to the capital program fund, money from appropriations made in this act shall not be used to pay indirect project costs.
- C. Except as provided in Subsection E of this section, the balance of an appropriation made from the general fund shall revert in the time frame set forth in Subsection A of this section to the capital projects fund.
- D. Except as provided in Subsection E of this section, the balance of an appropriation made from other state .205614.1

funds shall revert in the time frame set forth in Subsection A of this section to the originating fund.

- E. The balance of an appropriation made from the general fund or other state funds to the Indian affairs department or the aging and long-term services department for a project located on lands of an Indian nation, tribe or pueblo shall revert in the time frame set forth in Subsection A of this section to the tribal infrastructure project fund.
- F. For the purpose of this section, "unexpended balance" means the remainder of an appropriation after reserving for unpaid costs and expenses covered by binding written obligations to third parties.

SECTION 3. ADMINISTRATIVE OFFICE OF THE COURTS PROJECT-SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1
of this act, upon certification by the administrative office of
the courts that the need exists for the issuance of the bonds,
one million dollars (\$1,000,000) is appropriated to the
administrative office of the courts to purchase and install
high density security equipment and for related infrastructure
improvements at magistrate courts and judicial district courts
statewide.

SECTION 4. AGING AND LONG-TERM SERVICES DEPARTMENT

PROJECTS--SEVERANCE TAX BONDS.--Pursuant to the provisions of

Section 1 of this act, upon certification by the aging and

long-term services department that the need exists for the

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issuance of the bonds, the following amounts are appropriated to the aging and long-term services department for the following purposes:

- 1. twenty thousand seventy-five dollars (\$20,075) for improvements to the facility to address code compliance issues at the Paradise Hills senior center in Albuquerque in Bernalillo county;
- 2. twenty-six thousand five hundred dollars (\$26,500) for improvements to the facility to address code compliance issues at the Glenwood senior center in Glenwood in Catron county;
- 3. thirty-one thousand dollars (\$31,000) for improvements to the facility to address code compliance issues at the Quemado senior center in Quemado in Catron county;
- 4. fifty-seven thousand six hundred eighteen dollars (\$57,618) for improvements to the facility to address code compliance issues at the Anthony community center in Anthony in Dona Ana county;
- 5. eighty-seven thousand five hundred eighty-two dollars (\$87,582) for improvements to the facility to address code compliance issues at the Betty McKnight multipurpose center in Chaparral in Dona Ana county;
- 6. seven thousand five hundred dollars (\$7,500) for improvements to the facility to address code compliance issues at the Puerto de Luna senior center in Santa Rosa in Guadalupe .205614.1

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- 7. fifteen thousand dollars (\$15,000) for improvements to the facility to address code compliance issues at the Ena Mitchell senior center in Lordsburg in Hidalgo county;
- one hundred forty-one thousand six hundred ninety-six dollars (\$141,696) for improvements to the facility to address code compliance issues at the Ruidoso community center in Ruidoso in Lincoln county;
- eighty-eight thousand dollars (\$88,000) to plan, design and construct a parking lot at the Baca senior center in the Baca chapter of the Navajo Nation in McKinley county;
- forty thousand five hundred thirty-six dollars (\$40,536) to purchase and equip vehicles for the Chichiltah senior center in the Chichiltah chapter of the Navajo Nation in McKinley county;
- 11. one hundred eighty-eight thousand nine hundred ninety-six dollars (\$188,996) to plan, design and construct improvements to the facility to address code compliance issues at the Twin Lakes senior center in the Twin Lakes chapter of the Navajo Nation in McKinley county;
- 12. seven thousand dollars (\$7,000) for improvements to the facility to address code compliance issues at the Beatrice Martinez senior center in Espanola in Rio Arriba county;

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13. five thousand two hundred dollars (\$5,200) for
improvements to the facility to address code compliance issue
at the Bloomfield senior center in Bloomfield in San Juan
county;

- 14. five thousand twenty-four dollars (\$5,024) to purchase and install meals equipment at the Bloomfield senior center in Bloomfield in San Juan county;
- 15. ten thousand five hundred dollars (\$10,500) for improvements to the facility to address code compliance issues at the Corrales senior center in Corrales in Sandoval county;
- 16. seventy-six thousand six hundred sixty-one dollars (\$76,661) to purchase and equip vehicles for the Corrales senior center in Corrales in Sandoval county;
- 17. two hundred six thousand four hundred ninetysix dollars (\$206,496) for improvements to the facility to
 address code compliance issues at the Ken James senior center
 in Truth or Consequences in Sierra county;
- 18. thirteen thousand eight hundred dollars (\$13,800) for improvements to the facility to address code compliance issues at the Magdalena senior center in Magdalena in Socorro county;
- 19. eighty-four thousand five hundred twenty-four dollars (\$84,524) for improvements to the facility to address code compliance issues at the Socorro senior center in Socorro in Socorro county;

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20. sixteen thousand two hundred twenty-five dollars (\$16,225) for improvements to the facility to address code compliance issues at the Veguita senior center in Veguita in Socorro county; and

21. one hundred ninety-five thousand dollars (\$195,000) for improvements to the facility to address code compliance issues at the Amalia senior center in Amalia in Taos county.

SECTION 5. BERNALILLO COUNTY METROPOLITAN COURT PROJECT-SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1
of this act, upon certification by the Bernalillo county
metropolitan court that the need exists for the issuance of the
bonds, one million dollars (\$1,000,000) is appropriated to the
Bernalillo county metropolitan court to plan, design,
construct, furnish and equip courtrooms, judges' chambers, jury
rooms and public and restricted access areas on the fourth
floor of the Bernalillo county metropolitan court courthouse in
Albuquerque in Bernalillo county.

SECTION 6. CAPITAL PROGRAM FUND PROJECTS--SEVERANCE TAX
BONDS.--Pursuant to the provisions of Section 1 of this act,
upon certification by the facilities management division of the
general services department that the need exists for the
issuance of the bonds, the following amounts are appropriated
to the capital program fund for the following purposes:

one million three hundred thousand dollars
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(\$1,300,000) to plan, design, decommission and demolish facilities, including hazardous materials abatement, at state-owned buildings in Albuquerque in Bernalillo county, in Hobbs in Lea county and in Los Lunas in Valencia county;

- 2. four million one hundred fifty thousand dollars (\$4,150,000) to plan, design, construct, renovate, purchase and install equipment and for infrastructure improvements, including roofs, heating, ventilation and air conditioning systems and interior service windows, at the Albert Amador building in Espanola in Rio Arriba county, the Harriet Sammons building in Farmington in San Juan county and the James Murray building in Hobbs in Lea county;
- 3. nine hundred thousand dollars (\$900,000) to plan, design, construct, renovate, furnish and equip commission for the blind facilities in Bernalillo and Otero counties to comply with the federal Americans with Disabilities Act of 1990;
- 4. three hundred fifty thousand dollars (\$350,000) to plan and design a facility or to expand an existing state-owned site to house the department of health vital records and health statistics bureau in Santa Fe in Santa Fe county;
- 5. seven million five hundred thousand dollars (\$7,500,000) to plan, design, construct, renovate, equip, repair, purchase and install equipment and improve infrastructure, including roofs, security upgrades and .205614.1

replacement of heating, ventilation and air conditioning systems, at correctional facilities statewide;

- 6. two million eight hundred thousand dollars (\$2,800,000) to plan, design, construct, renovate, purchase and install infrastructure improvements and equipment, including security system upgrades and servers, security reception stations, lighting and kitchen upgrades, at children, youth and families department juvenile facilities statewide;
- 7. six million dollars (\$6,000,000) to plan, design, construct, equip, purchase and install equipment and for facility upgrades, including fire alarm and security surveillance systems, at department of health facilities statewide:
- 8. five hundred thousand dollars (\$500,000) to plan, design, renovate, purchase and install equipment, including heavy equipment, and for demolition and debris removal and to replace and upgrade mechanical, electrical and other infrastructure systems campus-wide for the department of health at the old Fort Bayard medical center in Grant county;
- 9. two million dollars (\$2,000,000) to plan, design, construct, renovate, furnish and equip state police district offices, including roadway and parking lot improvements, erosion control and the repair or replacement of heating, ventilation and air conditioning systems, at district offices statewide;

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10. four million five hundred thousand dollars (\$4,500,000) to plan, design, construct, improve, renovate, remediate, furnish and equip facilities, including infrastructure upgrades, at state-owned facilities statewide; and

11. five hundred thousand dollars (\$500,000) to plan, design, construct and renovate facilities and to purchase and install equipment for building code compliance in offices of the workforce solutions department statewide.

SECTION 7. CULTURAL AFFAIRS DEPARTMENT PROJECT--SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1 of this act, upon certification by the cultural affairs department that the need exists for the issuance of the bonds, three million dollars (\$3,000,000) is appropriated to the cultural affairs department to plan, design, construct, renovate, furnish, equip and make other improvements to comply with the federal Americans with Disabilities Act of 1990, including lighting, fire alarm and security upgrades, parking lot improvements and heating, ventilation and air conditioning systems, at museums, monuments, historic sites and cultural facilities statewide.

SECTION 8. CUMBRES AND TOLTEC SCENIC RAILROAD COMMISSION PROJECT--SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1 of this act, upon certification by the Cumbres and Toltec scenic railroad commission that the need exists for the issuance of the bonds, five hundred thousand dollars (\$500,000)

is appropriated to the Cumbres and Toltec scenic railroad commission for track rehabilitation and related infrastructure improvements, including locomotive and boiler upgrades to comply with federal railroad administration standards, for the Cumbres and Toltec scenic railroad operating between New Mexico and Colorado.

SECTION 9. ENERGY, MINERALS AND NATURAL RESOURCES
DEPARTMENT PROJECT--SEVERANCE TAX BONDS.--Pursuant to the
provisions of Section 1 of this act, upon certification by the
energy, minerals and natural resources department that the need
exists for the issuance of the bonds, four million dollars
(\$4,000,000) is appropriated to the energy, minerals and
natural resources department to plan, design and construct
watershed restoration and community wildfire protection
improvements, including forest thinning, statewide.

SECTION 10. OFFICE OF THE STATE ENGINEER PROJECT-SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1
of this act, upon certification by the office of the state
engineer that the need exists for the issuance of the bonds,
two million dollars (\$2,000,000) is appropriated to the office
of the state engineer to plan, design, construct and
rehabilitate Cabresto, Morphy and Lake Maloya dams for water
supply, irrigation and recreational use in New Mexico.

SECTION 11. STATE FAIR COMMISSION PROJECT--SEVERANCE TAX
BONDS.--Pursuant to the provisions of Section 1 of this act,
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upon certification by the state fair commission that the need exists for the issuance of the bonds, one million five hundred thousand dollars (\$1,500,000) is appropriated to the state fair commission for infrastructure improvements and to plan, design, construct and upgrade electrical systems at the New Mexico state fairgrounds in Albuquerque in Bernalillo county.

SECTION 12. DEPARTMENT OF HEALTH PROJECT--SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1 of this act, upon certification by the department of health that the need exists for the issuance of the bonds, five hundred thousand dollars (\$500,000) is appropriated to the department of health to purchase and install scientific, analytical and medical equipment, including the recalibration of existing equipment, at department of health facilities statewide.

SECTION 13. INDIAN AFFAIRS DEPARTMENT PROJECT--SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1 of this act, upon certification by the Indian affairs department that the need exists for the issuance of the bonds, five hundred thousand dollars (\$500,000) is appropriated to the Indian affairs department to plan, design and construct an access lane and other road improvements, including ingress and egress, curbs and gutters and storm drainage, at the Santa Fe Indian school in Santa Fe in Santa Fe county.

SECTION 14. DEPARTMENT OF INFORMATION TECHNOLOGY

PROJECT--SEVERANCE TAX BONDS.--Pursuant to the provisions of
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Section 1 of this act, upon certification by the department of information technology that the need exists for the issuance of the bonds, seven hundred seven thousand dollars (\$707,000) is appropriated to the department of information technology to plan, design, purchase, install and implement infrastructure to stabilize and modernize public safety radio communications statewide.

SECTION 15. INDIAN WATER RIGHTS SETTLEMENT FUND-SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1
of this act, upon certification by the office of the state
engineer that the need exists for the issuance of the bonds,
nine million one hundred thousand dollars (\$9,100,000) is
appropriated to the Indian water rights settlement fund.
Notwithstanding the requirement for a joint resolution of the
legislature in Subsection A of Section 72-1-11 NMSA 1978, if
corresponding commitments have been made for the federal
portion of the settlement in the Aamodt case, the money may be
expended by the interstate stream commission in fiscal year
2018 and subsequent fiscal years to implement the state's
portion of the settlement, and any unexpended or unencumbered
balance remaining at the end of a fiscal year shall not revert.

SECTION 16. DEPARTMENT OF MILITARY AFFAIRS PROJECT-SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1
of this act, upon certification by the department of military
affairs that the need exists for the issuance of the bonds, one
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million dollars (\$1,000,000) is appropriated to the department of military affairs for improvements, repairs and demolition and to purchase and install systems to improve energy efficiency and for staging areas at department of military affairs facilities statewide.

SECTION 17. DEPARTMENT OF PUBLIC SAFETY PROJECT-SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1
of this act, upon certification by the department of public
safety that the need exists for the issuance of the bonds,
seven million dollars (\$7,000,000) is appropriated to the
department of public safety to purchase and equip a search and
rescue helicopter for New Mexico state police operations
statewide.

SECTION 18. SUPREME COURT BUILDING COMMISSION PROJECT-SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1
of this act, upon certification by the supreme court building
commission that the need exists for the issuance of the bonds,
one hundred twenty-three thousand dollars (\$123,000) is
appropriated to the supreme court building commission to plan,
design, construct and renovate facilities, including abatement
and remediation of the exterior courtyard stucco, at the
supreme court building in Santa Fe in Santa Fe county.

SECTION 19. TAXATION AND REVENUE DEPARTMENT PROJECT-SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1
of this act, upon certification by the taxation and revenue
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department that the need exists for the issuance of the bonds, three hundred fifty-six thousand dollars (\$356,000) is appropriated to the taxation and revenue department to purchase, install and equip scanners, servers and information technology, including related equipment and infrastructure, for the revenue processing division in Santa Fe in Santa Fe county.

SECTION 20. DEPARTMENT OF GAME AND FISH PROJECT-APPROPRIATION FROM THE BIG GAME ENHANCEMENT ACCOUNT OF THE GAME
PROTECTION FUND.--One million dollars (\$1,000,000) is
appropriated from the big game enhancement account of the game
protection fund to the department of game and fish for
expenditure in fiscal years 2017 through 2021, unless otherwise
provided in Section 2 of this act, to improve, restore and
develop state-owned wildlife and waterfowl management areas to
prevent catastrophic wildfires and to improve watershed health
statewide.

SECTION 21. DEPARTMENT OF GAME AND FISH PROJECT-APPROPRIATION FROM THE GAME AND FISH BOND RETIREMENT FUND.--Six
hundred thousand dollars (\$600,000) is appropriated from the
game and fish bond retirement fund to the department of game
and fish for expenditure in fiscal years 2017 through 2021,
unless otherwise provided in Section 2 of this act, to renovate
and make improvements, including the replacement of water
lines, at the Glenwood and Red River hatcheries in Grant and
Taos counties.

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SECTION 22. DEPARTMENT OF GAME AND FISH PROJECTS-APPROPRIATIONS FROM THE GAME PROTECTION FUND.--The following
amounts are appropriated from the game protection fund to the
department of game and fish for expenditure in fiscal years
2017 through 2021, unless otherwise provided in Section 2 of
this act, for the following purposes:

- 1. three million dollars (\$3,000,000) to renovate and make improvements, including the replacement of water lines, at the Glenwood and Red River hatcheries in Grant and Taos counties; and
- 2. five hundred thousand dollars (\$500,000) for wildlife and riparian habitat restoration on the San Juan river quality waters in San Juan county.

SECTION 23. DEPARTMENT OF GAME AND FISH PROJECT-APPROPRIATION FROM THE HABITAT MANAGEMENT FUND.-Notwithstanding the provisions of Section 17-4-34 NMSA 1978 to
the contrary, one million dollars (\$1,000,000) is appropriated
from the habitat management fund to the department of game and
fish for expenditure in fiscal years 2017 through 2021, unless
otherwise provided in Section 2 of this act, to improve,
restore and maintain state-owned wildlife and waterfowl
management areas to prevent catastrophic wildfires and to
improve watershed health statewide.

SECTION 24. INTERSTATE STREAM COMMISSION PROJECT-APPROPRIATION FROM THE NEW MEXICO UNIT FUND.--Fifteen million
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two hundred thousand dollars (\$15,200,000) is appropriated from the New Mexico unit fund to the interstate stream commission for expenditure in fiscal years 2018 through 2020, unless otherwise provided in Section 2 of this act, to comply with federal requirements to meet water supply demands, including costs associated with planning and environmental compliance activities and environmental mitigation and restoration, in the southwest water planning region of New Mexico as determined by the interstate stream commission in consultation with the southwest New Mexico water study group or its successor.

SECTION 25. PUBLIC EDUCATION DEPARTMENT PROJECT-APPROPRIATION FROM THE PUBLIC SCHOOL CAPITAL OUTLAY FUND.--Four
million dollars (\$4,000,000) is appropriated from the public
school capital outlay fund to the public education department
for expenditure in fiscal years 2017 through 2021, unless
otherwise provided in Section 2 of this act, for capital asset
deficiencies and infrastructure improvements for the Zuni
public school district and the Gallup-McKinley county school
district in McKinley county and the Grants-Cibola county school
district in Cibola county contingent upon approval of the
public school capital outlay council.

SECTION 26. PROJECT SCOPE--EXPENDITURES.--If an appropriation for a project authorized in this act is not sufficient to complete all the purposes specified, the appropriation may be expended for any portion of the purposes

specified in the appropriation. Expenditures shall not be made for purposes other than those specified in the appropriation.

SECTION 27. ART IN PUBLIC PLACES.--Pursuant to Section 13-4A-4 NMSA 1978 and where applicable, the appropriations authorized in this act include one percent for the art in public places fund.

SECTION 28. EMERGENCY.--It is necessary for the public peace, health and safety that this act take effect immediately.

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