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HOUSE BILL 163

54TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2020

INTRODUCED BY

Candie G. Sweetser

AN ACT

RELATING TO PUBLIC FINANCE; CREATING A COMMUNITY SUPPLEMENTAL SUPPORT FUND TO ASSIST ELIGIBLE MUNICIPALITIES IN PROVIDING CERTAIN GOVERNMENTAL SERVICES; AUTHORIZING APPROPRIATIONS FROM THE PUBLIC PROJECT REVOLVING FUND TO THE COMMUNITY SUPPLEMENTAL SUPPORT FUND; DELETING CERTAIN OUTDATED PROVISIONS OF SECTION 6-21-6.1 NMSA 1978 (BEING LAWS 1994, CHAPTER 145, SECTION 2, AS AMENDED); MAKING AN APPROPRIATION.

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

SECTION 1. Section 6-21-6.1 NMSA 1978 (being Laws 1994, Chapter 145, Section 2, as amended) is amended to read:

"6-21-6.1. PUBLIC PROJECT REVOLVING FUND--APPROPRIATIONS TO OTHER FUNDS.--

~~[A. The authority and the department of environment may enter into a joint powers agreement pursuant to the Joint~~

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1 ~~Powers Agreements Act for the purpose of describing and~~
2 ~~allocating duties and responsibilities with respect to creation~~
3 ~~of an integrated loan and grant program to be financed through~~
4 ~~issuance of bonds payable from the public project revolving~~
5 ~~fund. The bonds may be issued in installments or at one time~~
6 ~~by the authority in amounts authorized by law. The aggregate~~
7 ~~amount of bonds authorized and outstanding pursuant to this~~
8 ~~subsection shall not be greater than the amount of bonds that~~
9 ~~may be annually repaid from an amount not to exceed thirty-five~~
10 ~~percent of the governmental gross receipts tax proceeds~~
11 ~~distributed to the public project revolving fund in the~~
12 ~~preceding fiscal year. The net proceeds may be used for~~
13 ~~purposes of the water and wastewater planning fund and the~~
14 ~~water and wastewater project grant fund as specified in the New~~
15 ~~Mexico Finance Authority Act; or for purposes of the Wastewater~~
16 ~~Facility Construction Loan Act, the Rural Infrastructure Act,~~
17 ~~the Solid Waste Act or the Drinking Water State Revolving Loan~~
18 ~~Fund Act.~~

19 ~~B. Public projects funded pursuant to the~~
20 ~~Wastewater Facility Construction Loan Act, the Rural~~
21 ~~Infrastructure Act, the Solid Waste Act, or the Drinking Water~~
22 ~~State Revolving Loan Fund Act shall not require specific~~
23 ~~authorization by law as required in Sections 6-21-6 and 6-21-8~~
24 ~~NMSA 1978.~~

25 ~~G.]~~ A. At the end of each fiscal year, after all

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1 debt service charges, replenishment of reserves and
2 administrative costs on all outstanding bonds, notes or other
3 obligations payable from the public project revolving fund are
4 satisfied, an aggregate amount not to exceed thirty-five
5 percent of the governmental gross receipts tax proceeds
6 distributed to the public project revolving fund in the
7 preceding fiscal year less all debt service charges and
8 administrative costs of the authority paid in the preceding
9 fiscal year on bonds issued pursuant to this section may be
10 appropriated by the legislature from the public project
11 revolving fund to:

12 (1) the following funds for local
13 infrastructure financing:

14 ~~[(1)]~~ (a) the wastewater facility
15 construction loan fund for purposes of the Wastewater Facility
16 Construction Loan Act;

17 ~~[(2)]~~ (b) the rural infrastructure
18 revolving loan fund for purposes of the Rural Infrastructure
19 Act;

20 ~~[(3)]~~ (c) the solid waste facility grant
21 fund for purposes of the Solid Waste Act;

22 ~~[(4)]~~ (d) the drinking water state
23 revolving loan fund for purposes of the Drinking Water State
24 Revolving Loan Fund Act;

25 ~~[(5)]~~ (e) the water and wastewater

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1 project grant fund for purposes specified in the New Mexico
2 Finance Authority Act; or

3 ~~[(6)] (f) the [water and wastewater]~~
4 local government planning fund for purposes specified in the
5 New Mexico Finance Authority Act; or

6 (2) the community supplemental support fund.

7 ~~[D-]~~ B. The authority and the department of
8 ~~[environment]~~ finance and administration in coordination with
9 the New Mexico finance authority oversight committee may
10 recommend annually to each regular session of the legislature
11 amounts to be appropriated to the funds listed in Subsection
12 ~~[G]~~ A of this section ~~[for local infrastructure financing]."~~

13 **SECTION 2.** A new section of the Department of Finance and
14 Administration Act is enacted to read:

15 "[NEW MATERIAL] COMMUNITY SUPPLEMENTAL SUPPORT FUND.--

16 A. The "community supplemental support fund" is
17 created in the state treasury. The local government division
18 of the department of finance and administration shall
19 administer the fund, and money in the fund is appropriated to
20 that division to assist eligible municipalities to provide
21 health and human services, public safety and other general
22 governmental services. Money in the fund shall consist of
23 appropriations, distributions, gifts, grants, donations, income
24 from investment of the fund and money otherwise accruing to the
25 fund. Disbursements from the fund shall be made upon warrants

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1 drawn by the secretary of finance and administration pursuant
2 to vouchers signed by the director of the local government
3 division of the department of finance and administration.
4 Money in the fund shall not revert to any other fund.

5 B. Prior to October 1 of each fiscal year, money in
6 the fund shall be distributed to each eligible municipality in
7 the proportion that the population of the eligible municipality
8 is to the total population of all eligible municipalities.

9 C. As used in this section, "eligible municipality"
10 means, according to the most recent five-year American
11 community survey published by the United States census bureau,
12 a municipality:

13 (1) with a population of at least ten thousand
14 but not greater than twenty-five thousand; and

15 (2) that has a percentage of population below
16 the federal poverty level that is greater than the percentage
17 of population below the poverty level in the state."

18 SECTION 3. APPROPRIATION.--Five million dollars
19 (\$5,000,000) is appropriated from the public project revolving
20 fund to the community supplemental support fund for expenditure
21 in fiscal year 2021 and subsequent fiscal years to carry out
22 the purposes of the fund. Any unexpended or unencumbered
23 balance remaining at the end of a fiscal year shall not revert.