

HOUSE BILL 146

56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024

INTRODUCED BY

Cathrynn N. Brown and Randall T. Pettigrew

This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

AN ACT

RELATING TO TRANSPORTATION; CREATING THE TRANSPORTATION TRUST FUND; MAKING ANNUAL TRANSFERS TO THE STATE ROAD FUND FOR HTPWC → ~~CERTAIN PROJECTS PRIORITIZED BY THE DEPARTMENT OF TRANSPORTATION~~ ← HTPWC HTPWC → PROVIDING STATE MATCHING FUNDS FOR FEDERAL GRANTS ← HTPWC ; TRANSFERRING CERTAIN UNEXPENDED CAPITAL OUTLAY BALANCES TO THE TRANSPORTATION TRUST FUND; DISTRIBUTING A PORTION OF GROSS RECEIPTS TAX REVENUE ATTRIBUTABLE TO THE SALE OF ELECTRICITY TO THE TRANSPORTATION TRUST FUND; AMENDING

.226415.2AIC January 26, 2024 (2:11pm)

underscored material = new
[bracketed material] = delete
Amendments: new = → bold, blue, highlight ←
delete = → bold, red, highlight, strikethrough ←

DISTRIBUTIONS OF THE MOTOR VEHICLE EXCISE TAX; MAKING AN APPROPRIATION.

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

SECTION 1. [NEW MATERIAL] TRANSPORTATION TRUST FUND CREATED.--

A. The "transportation trust fund" is created as a nonreverting fund in the state treasury. The fund consists of distributions, appropriations, gifts, grants and donations. Income from investment of the fund shall be credited to the fund. Money in the fund shall be expended only as provided in this section.

B. The state investment officer, subject to the approval of the state investment council and in consultation with the state treasurer, shall invest money in the transportation trust fund in accordance with the prudent investor rule set forth in the Uniform Prudent Investor Act.

C. The state investment officer shall submit an annual report on the investments made pursuant to this section no later than October 1 of each year to the legislative finance committee, the state investment council, the revenue stabilization and tax policy committee and any other appropriate interim committees.

D. On July 1, 2027 and each July 1 thereafter, a transfer shall be made from the transportation trust fund to the state road fund in an amount equal to five percent of the

.226415.2AIC January 26, 2024 (2:11pm)

underscoring material = new
[bracketed material] = delete
Amendments: new = →bold, blue, highlight←
delete = →bold, red, highlight, strikethrough←

underscored material = new
[bracketed material] = delete
Amendments: new = →bold, blue, highlight←
delete = →bold, red, highlight, strikethrough←

average of the year-end market values of the fund for the immediately preceding three calendar years. Money transferred pursuant to this subsection shall be expended only HTPWC→for projects prioritized by a cooperative and comprehensive process of the department of transportation that incorporates federally required performance measures and national planning goals, aligns with the department's long-range plans and addresses the multimodal needs of New Mexico's transportation customers.←HTPWC HTPWC→to provide state matching funds for federal grants for transportation infrastructure projects.←HTPWC

E. In addition to the transfer pursuant to Subsection D of this section, money in the transportation trust fund may be expended in the event that general fund balances, including all authorized revenues and transfers to the general fund and balances in the general fund operating reserve, the appropriation contingency fund, the tobacco settlement permanent fund, the state-support reserve fund and the tax stabilization reserve, will not meet the level of appropriations authorized from the general fund for a fiscal year. In that event, to avoid an unconstitutional deficit, the legislature may appropriate from the transportation trust fund to the general fund only in the amount necessary to meet general fund appropriations for that fiscal year and only if the legislature has authorized transfers from the appropriation

underscored material = new
[bracketed material] = delete
Amendments: new = →bold, blue, highlight←
delete = →bold, red, highlight, strikethrough←

contingency fund, the general fund operating reserve, the tax stabilization reserve and the tobacco settlement permanent fund that exhaust those fund balances.

SECTION 2. A new section of Chapter 6, Article 4 NMSA 1978 is enacted to read:

"[NEW MATERIAL] CAPITAL OUTLAY BALANCES--TRANSFER--TRANSPORTATION TRUST FUND.--Any outstanding capital outlay balances, excluding bond proceeds, that are appropriated from the general fund but are not expended or encumbered within the period specified by law shall be transferred to the transportation trust fund."

SECTION 3. A new section of the Tax Administration Act, Section 7-1-6.72 NMSA 1978, is enacted to read:

"7-1-6.72. [NEW MATERIAL] DISTRIBUTION--TRANSPORTATION TRUST FUND.--A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the transportation trust fund in an amount equal to one percent of the taxable gross receipts attributable to the sale of electricity."

SECTION 4. Section 7-14-10 NMSA 1978 (being Laws 1988, Chapter 73, Section 20, as amended) is amended to read:

"7-14-10. DISTRIBUTION OF PROCEEDS.--The receipts from the tax and any associated interest and penalties shall be deposited in the "motor vehicle suspense fund", hereby created in the state treasury. As of the end of each month, the net receipts attributable to the tax and associated penalties and

underscored material = new
[bracketed material] = delete
Amendments: new = → bold, blue, highlight
delete = → bold, red, highlight, strikethrough

interest shall be distributed as follows:

A. prior to July 1, 2026:

- (1) thirty percent to the general fund;
- (2) thirty-five percent to the state road fund;
- (3) fifteen percent to the transportation project fund; and
- (4) twenty percent to the transportation trust fund;

B. on and after July 1, 2026, except as provided in Subsection C of this section:

- (1) fifty percent to the state road fund;
- (2) twenty percent to the transportation project fund; and
- (3) thirty percent to the transportation trust fund; and

C. if, for any single fiscal year occurring after fiscal year 2029 and prior to fiscal year 2040, gross receipts tax revenues are less than ninety percent of the gross receipts tax revenues for the previous fiscal year as determined by the secretary of finance and administration, beginning on the July 1 following the determination made by the secretary of finance and administration:

- ~~[A. fifty-nine and thirty-nine hundredths]~~ (1) fifty percent to the general fund;

underscored material = new
[bracketed material] = delete
Amendments: new = → bold, blue, highlight ←
delete = → bold, red, highlight, strikethrough ←

~~[B. twenty-one and eighty-six hundredths]~~ (2)
twenty percent to the state road fund; ~~[and~~

~~G. eighteen and seventy-five hundredths]~~ (3)
fifteen percent to the transportation project fund; and

(4) fifteen percent to the transportation trust fund."

SECTION 5. APPROPRIATION.--Four hundred million dollars (\$400,000,000) is appropriated from the general fund to the transportation trust fund for expenditure in fiscal year 2025 and subsequent fiscal years to provide initial funding to the fund. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the general fund.

SECTION 6. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2024.