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HOUSE BILL 223

42ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1996

INTRODUCED BY

FRED LUNA

AN ACT

RELATING TO CAPITAL EXPENDITURES; AUTHORIZING THE ISSUANCE OF SEVERANCE TAX BONDS FOR SEWER AND WATER PROJECTS IN BELEN IN VALENCIA COUNTY; MAKING AN APPROPRIATION; DECLARING AN EMERGENCY.

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

Section 1. SEVERANCE TAX BONDS-- PURPOSES FOR WHICH ISSUED-- APPROPRIATION OF PROCEEDS. --

A. 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 three thousand dollars (\$803,000) when the department of environment 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

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1 by the 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 department of environment in the following amounts for the
8 following purposes:

- 9 (1) eighty thousand dollars (\$80,000) to
10 complete construction of the south Main sewer project; and
11 (2) seven hundred twenty-three thousand dollars
12 (\$723,000) to extend and construct the northside water and sewer
13 system.

14 B. If the department of environment has not
15 certified the need for the issuance of the bonds by the end of
16 fiscal year 1998, the authorization provided in this section
17 shall be void. Any unexpended or unencumbered balance remaining
18 from the proceeds of severance tax bonds issued pursuant to
19 Subsection A of this section at the end of fiscal year 1999
20 shall revert to the severance tax bonding fund.

21 Section 2. EMERGENCY.--It is necessary for the public
22 peace, health and safety that this act take effect immediately.