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HOUSE BILL 685

44TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1999

INTRODUCED BY

Ben Lujan

AN ACT

RELATING TO ROADS; REDUCING THE AMOUNT OF LOCAL MATCH REQUIRED FOR LOCAL ROAD PROJECTS PURSUANT TO COOPERATIVE AGREEMENTS WITH THE STATE HIGHWAY AND TRANSPORTATION DEPARTMENT; AMENDING SECTIONS OF THE NMSA 1978 TO REQUIRE THAT ALL GASOLINE TAX REVENUES DISTRIBUTED TO MUNICIPALITIES AND COUNTIES BE USED FOR ROAD CONSTRUCTION AND IMPROVEMENT OR OTHER TRANSPORTATION PURPOSES.

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

Section 1. Section 7-1-6.9 NMSA 1978 (being Laws 1991, Chapter 9, Section 11, as amended) is amended to read:

"7-1-6.9. DISTRIBUTION OF GASOLINE TAXES TO MUNICIPALITIES AND COUNTIES. --

A. A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made in an amount equal to ten and thirty-eight

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1 hundredths percent of the net receipts attributable to the
2 taxes, exclusive of penalties and interest, imposed by the
3 Gasoline Tax Act.

4 B. The amount determined in Subsection A of this
5 section shall be distributed as follows:

6 (1) ninety percent of the amount shall be
7 paid to the treasurers of municipalities and H class counties
8 in the proportion that the taxable motor fuel sales in each of
9 the municipalities and H class counties bears to the aggregate
10 taxable motor fuel sales in all of these municipalities and H
11 class counties; and

12 (2) ten percent of the amount shall be paid
13 to the treasurers of the counties, including H class counties,
14 in the proportion that the taxable motor fuel sales outside of
15 incorporated municipalities in each of the counties bears to
16 the aggregate taxable motor fuel sales outside of incorporated
17 municipalities in all of the counties.

18 C. This distribution shall be paid into a separate
19 road fund in the municipal treasury or county [general] road
20 fund for [general purposes or for any special purposes
21 ~~designated by the governing body of the municipality or~~
22 ~~county~~] expenditure only for construction, reconstruction,
23 resurfacing or other improvement or maintenance of public
24 roads, streets, alleys or bridges, including right-of-way and
25 materials acquisition. Money distributed pursuant to this

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1 section may be used by a municipality or county to provide
2 matching funds for projects subject to cooperative agreements
3 entered into with the state highway and transportation
4 department pursuant to Section 67-3-28 NMSA 1978. Any
5 municipality or H class county that has created or that
6 creates a "street improvement fund" to which gasoline tax
7 revenues or distributions are irrevocably pledged under
8 Sections 3-34-1 through 3-34-4 NMSA 1978 or that has pledged
9 all or a portion of gasoline tax revenues or distributions to
10 the payment of bonds shall receive its proportion of the
11 distribution of revenues under this section impressed with and
12 subject to these pledges. "

13 Section 2. Section 7-1-6.26 NMSA 1978 (being Laws 1987,
14 Chapter 347, Section 11, as amended) is amended to read:

15 "7-1-6.26. COUNTY GOVERNMENT ROAD FUND--DISTRIBUTION. --

16 A. For the purposes of this section,
17 "distributable amount" means the amount in the county
18 government road fund as of the last day of any month for which
19 a distribution is required to be made pursuant to this section
20 in excess of the balance in that fund as of the last day of
21 the preceding month after reduction for any required
22 distributions for the preceding month.

23 B. The secretary of highway and transportation
24 shall determine and certify on or before July 1, 1987 and on
25 or before July 1 of each subsequent year the total miles of

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1 public roads maintained by each county pursuant to Section
2 66-6-23 NMSA 1978. For the purposes of this subsection, if
3 the certified mileage of public roads maintained by a county
4 is less than four hundred miles, the state treasurer shall
5 increase the number of miles of public roads maintained by
6 that county by fifty percent and revise the total miles of
7 public roads maintained by all counties accordingly. Except
8 as provided otherwise in Subsection D of this section, each
9 county shall receive an amount equal to its proportionate
10 share of miles of public roads maintained, as the number of
11 miles for the county may have been revised pursuant to this
12 subsection, to the total miles of public roads maintained by
13 all counties, as that total may have been revised pursuant to
14 this subsection, times fifty percent of the distributable
15 amount in the county government road fund.

16 C. Except as provided otherwise in Subsection D of
17 this section, each county shall receive a share of fifty
18 percent of the distributable amount in the county government
19 road fund as determined in this subsection. The amount for
20 each county shall be the greater of:

21 (1) twenty-one cents (\$.21) multiplied by the
22 county's population as shown by the most recent federal
23 decennial census; or

24 (2) the proportionate share that the taxable
25 gallons of gasoline reported for that county for the preceding

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1 fiscal year bear to the total taxable gallons of gasoline for
2 all counties in the preceding fiscal year, as determined by
3 the department, multiplied by fifty percent of the
4 distributable amount in the county government road fund.

5 If the sum of the amounts to be distributed pursuant to
6 Paragraphs (1) and (2) of this subsection exceeds fifty
7 percent of the distributable amount in the county government
8 road fund, the excess shall be eliminated by multiplying the
9 amount determined in Paragraphs (1) and (2) of this subsection
10 for each county by a fraction, the numerator of which is fifty
11 percent of the distributable amount in the county government
12 road fund, and the denominator of which is the sum of amounts
13 determined for all counties in Paragraphs (1) and (2) of this
14 subsection.

15 D. If the distribution for a class A county or for
16 an H class county determined pursuant to Subsections B and C
17 of this section exceeds an amount equal to one-twelfth of the
18 product of the total taxable gallons of gasoline reported for
19 the county for the preceding fiscal year times one cent
20 (\$.01), the distribution for that county shall be reduced to
21 an amount equal to one-twelfth of the product of the total
22 taxable gallons of gasoline reported for the county for the
23 preceding fiscal year times one cent (\$.01). Any amount of
24 the reduction shall be shared among the counties whose
25 distribution has not been reduced pursuant to this subsection

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1 in the ratio of the amounts computed in Subsections B and C of
2 this section.

3 E. If a county has not made the required mileage
4 certification pursuant to Section 67-3-28.3 NMSA 1978 by May
5 1, 1988, and by April 1 of every year thereafter, of the year
6 for which distribution is being made, the secretary of highway
7 and transportation shall estimate the mileage maintained by
8 those counties for the purpose of making distribution to all
9 counties, and the amount calculated to be distributed each
10 month to those counties not certifying mileage shall be
11 reduced by one-third each month for that fiscal year and that
12 amount not distributed to those counties shall be distributed
13 equally to all counties that have certified mileages.

14 F. Distributions made to counties pursuant to this
15 section shall be deposited in the county road fund to be used
16 for the construction, reconstruction, resurfacing or other
17 improvement or maintenance of the public roads and bridges in
18 the county, including right-of-way and materials acquisition.
19 Money distributed pursuant to this section may be used by the
20 county to provide matching funds for projects subject to
21 cooperative agreements entered into with the state highway and
22 transportation department pursuant to Section 67-3-28 NMSA
23 1978. "

24 Section 3. Section 7-1-6.27 NMSA 1978 (being Laws 1991,
25 Chapter 9, Section 20, as amended) is amended to read:

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1 "7-1-6.27. DISTRIBUTION-- MUNICIPAL ROADS. --

2 A. A distribution pursuant to Section 7-1-6.1 NMSA
3 1978 shall be made to municipalities for the purposes and
4 amounts specified in this section in an aggregate amount equal
5 to five and seventy-six hundredths percent of the net receipts
6 attributable to the gasoline tax.

7 B. The distribution authorized in this section
8 shall be used for the following purposes:

9 (1) reconstructing, resurfacing, maintaining,
10 repairing or otherwise improving existing alleys, streets,
11 roads or bridges, or any combination of the foregoing; or
12 laying off, opening, constructing or otherwise acquiring new
13 alleys, streets, roads or bridges, or any combination of the
14 foregoing; provided that any of the foregoing improvements may
15 include, but are not limited to, the acquisition of rights of
16 way; [~~and~~]

17 (2) to provide matching funds for projects
18 subject to cooperative agreements with the state highway and
19 transportation department pursuant to Section 67-3-28 NMSA
20 1978; and

21 [~~(2)~~] (3) for expenses of purchasing,
22 maintaining and operating transit operations and facilities,
23 for the operation of a transit authority established by the
24 municipal transit law and for the operation of a vehicle
25 emission inspection program. A municipality may engage in the

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1 business of the transportation of passengers and property
2 within the political subdivision by whatever means the
3 municipality may decide and may acquire cars, trucks, motor
4 buses and other equipment necessary for operating the
5 business. A municipality may acquire land, erect buildings
6 and equip the buildings with all the necessary machinery and
7 facilities for the operation, maintenance, modification,
8 repair and storage of the cars, trucks, motor buses and other
9 equipment needed. A municipality may do all things necessary
10 for the acquisition and the conduct of the business of public
11 transportation.

12 C. For the purposes of this section:

13 (1) "computed distribution amount" means the
14 distribution amount calculated for a municipality for a month
15 pursuant to Paragraph (2) of Subsection D of this section
16 prior to any adjustments to the amount due to the provisions
17 of Subsections E and F of this section;

18 (2) "floor amount" means four hundred
19 seventeen dollars (\$417);

20 (3) "floor municipality" means a municipality
21 whose computed distribution amount is less than the floor
22 amount; and

23 (4) "full distribution municipality" means a
24 municipality whose population at the last federal decennial
25 census was at least two hundred thousand.

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1 D. Subject to the provisions of Subsections E and
2 F of this section, each municipality shall be distributed a
3 portion of the aggregate amount distributable under this
4 section in an amount equal to the greater of:

- 5 (1) the floor amount; or
- 6 (2) eighty-five percent of the aggregate
7 amount distributable under this section times a fraction, the
8 numerator of which is the municipality's reported taxable
9 gallons of gasoline for the immediately preceding state fiscal
10 year and the denominator of which is the reported total
11 taxable gallons for all municipalities for the same period.

12 E. Fifteen percent of the aggregate amount
13 distributable under this section shall be referred to as the
14 "redistribution amount". Beginning in August 1990, and each
15 month thereafter, from the redistribution amount there shall
16 be taken an amount sufficient to increase the computed
17 distribution amount of every floor municipality to the floor
18 amount. In the event that the redistribution amount is
19 insufficient for this purpose, the computed distribution
20 amount for each floor municipality shall be increased by an
21 amount equal to the redistribution amount times a fraction,
22 the numerator of which is the difference between the floor
23 amount and the municipality's computed distribution amount and
24 the denominator of which is the difference between the product
25 of the floor amount multiplied by the number of floor

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1 municipalities and the total of the computed distribution
2 amounts for all floor municipalities.

3 F. If a balance remains after the redistribution
4 amount has been reduced pursuant to Subsection E of this
5 section, there shall be added to the computed distribution
6 amount of each municipality that is neither a full
7 distribution municipality nor a floor municipality an amount
8 that equals the balance of the redistribution amount times a
9 fraction, the numerator of which is the computed distribution
10 amount of the municipality and the denominator of which is the
11 sum of the computed distribution amounts of all municipalities
12 that are neither full distribution municipalities nor floor
13 municipalities. "

14 Section 4. Section 67-3-32 NMSA 1978 (being Laws 1983,
15 Chapter 38, Section 1) is amended to read:

16 "67-3-32. COOPERATIVE AGREEMENTS-- PREFERENCE. -- In
17 entering into cooperative agreements pursuant to Section
18 67-3-28 NMSA 1978, the state highway commission shall give
19 preference to political subdivisions of this state if the
20 subdivision contributes an amount equal to at least [forty]
21 twenty-five percent of the project cost. "

22 Section 5. EFFECTIVE DATE. -- The effective date of the
23 provisions of this act is July 1, 1999.

1 FORTY-FOURTH LEGISLATURE
2 FIRST SESSION, 1999
3
4
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6 March 2, 1999
7

8 Mr. Speaker:
9

10 Your TRANSPORTATION COMMITTEE, to whom has been
11 referred

12
13 HOUSE BILL 685
14

15 has had it under consideration and reports same with
16 recommendation that it DO PASS, amended as follows:

17 1. On page 10, line 23, strike "July" and insert in lieu
18 thereof "August".,

19
20 and thence referred to the TAXATION AND REVENUE
21 COMMITTEE.
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FORTY-FOURTH LEGISLATURE
FIRST SESSION, 1999

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Respectfully submitted,

Daniel P. Silva, Chairman

Adopted _____

Not Adopted _____

(Chief Clerk)

(Chief Clerk)

Date _____

The roll call vote was 11 For 2 Against

Yes: 11

No: Crook, Russell

Excused: None

Absent: None

J: \99BillsWP\H0685

1 FORTY- FOURTH LEGISLATURE
2 FIRST SESSION, 1999

3
4 March 8, 1999

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6
7 Mr. Speaker:

8
9 Your TAXATION AND REVENUE COMMITTEE, to whom has
10 been referred

11 HOUSE BILL 685, as amended

12
13 has had it under consideration and reports same with
14 recommendation that it DO PASS.

15
16 Respectfully submitted,

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20 _____
21 Jerry W. Sandel, Chairman
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FORTY-FOURTH LEGISLATURE
FIRST SESSION, 1999

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4 Adopted _____ Not Adopted _____

6 (Chief Clerk)

(Chief Clerk)

8 Date _____

10 The roll call vote was 11 For 0 Against

11 Yes: 11

12 Excused: Crook, Russell, Sandoval

13 Absent: Stell

15 J: \99BillSWP\H0685

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FORTY-FOURTH LEGISLATURE
FIRST SESSION, 1999

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March 15, 1999

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Mr. President:

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Your WAYS & MEANS COMMITTEE, to whom has been referred

12

13

HOUSE BILL 685, as amended

14

has had it under consideration and reports same with
recommendation that it DO PASS.

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Respectfully submitted,

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Carlos R. Cisneros, Chairman

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25

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FORTY-FOURTH LEGISLATURE
FIRST SESSION, 1999

1 HB 685aa

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Adopted _____ Not

3

Adopted _____

4

(Chief Clerk)

(Chief Clerk)

5

6

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Date _____

9

10

The roll call vote was 8 For 0 Against

11

Yes: 8

12

No: 0

13

Excused: Carraro

14

Absent: None

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H0685WM1

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