

HOUSE TRANSPORTATION COMMITTEE SUBSTITUTE FOR  
HOUSE BILLS 367, 479 & 651

45TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2001

AN ACT

RELATING TO FINANCING OF HIGHWAY PROJECTS; INCREASING CERTAIN  
FUEL TAXES; DISTRIBUTING A PORTION OF MOTOR VEHICLE EXCISE TAX  
REVENUES TO THE STATE ROAD FUND; ADJUSTING DISTRIBUTIONS OF  
CERTAIN TAX PROCEEDS; AUTHORIZING THE ISSUANCE OF STATE  
HIGHWAY BONDS FOR VARIOUS HIGHWAY PROJECTS THROUGHOUT THE  
STATE; AMENDING SECTIONS OF THE NMSA 1978 AND AMENDING AND  
REPEALING SECTIONS OF LAWS 1995; MAKING APPROPRIATIONS.

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

Section 1. Section 7-1-6.7 NMSA 1978 (being Laws 1994,  
Chapter 5, Section 2, as amended by Laws 1995, Chapter 6,  
Section 1 and also by Laws 1995, Chapter 36, Section 1) is  
amended to read:

"7-1-6.7. DISTRIBUTIONS--STATE AVIATION FUND.--

A. A distribution pursuant to Section 7-1-6.1 NMSA

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1 1978 shall be made to the state aviation fund in an amount  
2 equal to three and fifty-nine hundredths percent of the gross  
3 receipts attributable to the sale of fuel specially prepared  
4 and sold for use in turboprop or jet-type engines as  
5 determined by the department.

6 B. A distribution pursuant to Section 7-1-6.1 NMSA  
7 1978 shall be made to the state aviation fund in an amount  
8 equal to [~~twenty-six hundredths of one percent~~] the following  
9 percentage of gasoline taxes, exclusive of penalties and  
10 interest, collected pursuant to the Gasoline Tax Act:

11 (1) prior to February 1, 2003, twenty-six  
12 hundredths of one percent;

13 (2) from February 1, 2003 through January 31,  
14 2004, twenty-five hundredths of one percent;

15 (3) from February 1, 2004 through January 31,  
16 2005, twenty-four hundredths of one percent;

17 (4) from February 1, 2005 through January 31,  
18 2006, twenty-three hundredths of one percent; and

19 (5) after January 31, 2006, twenty-one  
20 hundredths of one percent. "

21 Section 2. Section 7-1-6.8 NMSA 1978 (being Laws 1983,  
22 Chapter 211, Section 13, as amended) is amended to read:

23 "7-1-6.8. DISTRIBUTION--MOTORBOAT FUEL TAX FUND.--A  
24 distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be  
25 made to the motorboat fuel tax fund in an amount equal to

1 ~~[thirteen hundredths of one percent]~~ the following percentage  
2 of the net receipts attributable to the gasoline tax:

3 A. prior to February 1, 2003, thirteen hundredths  
4 of one percent;

5 B. from February 1, 2003 through January 31, 2004,  
6 thirteen hundredths of one percent;

7 C. from February 1, 2004 through January 31, 2005,  
8 twelve hundredths of one percent;

9 D. from February 1, 2005 through January 31, 2006,  
10 twelve hundredths of one percent; and

11 E. after January 31, 2006, one-tenth of one  
12 percent. "

13 Section 3. Section 7-1-6.9 NMSA 1978 (being Laws 1991,  
14 Chapter 9, Section 11, as amended) is amended to read:

15 "7-1-6.9. DISTRIBUTION OF GASOLINE TAXES TO  
16 MUNICIPALITIES AND COUNTIES. --

17 A. A distribution pursuant to Section 7-1-6.1 NMSA  
18 1978 shall be made in an amount equal to ~~[ten and thirty-eight~~  
19 ~~hundredths percent]~~ the following percentage of the net  
20 receipts attributable to the taxes, exclusive of penalties and  
21 interest, imposed by the Gasoline Tax Act:

22 (1) prior to February 1, 2003, ten and  
23 thirty-eight hundredths percent;

24 (2) from February 1, 2003 through January 31,  
25 2004, nine and eight-tenths percent;

1                                   (3) from February 1, 2004 through January 31,  
2                                   2005, nine and twenty-nine hundredths percent;

3                                   (4) from February 1, 2005 through January 31,  
4                                   2006, eight and eighty-three hundredths percent; and

5                                   (5) after January 31, 2006, eight and four-  
6                                   tenths percent.

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

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

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

21                                  C. This distribution shall be paid into a separate  
22                                  road fund in the municipal treasury or county road fund for  
23                                  expenditure only for construction, reconstruction, resurfacing  
24                                  or other improvement or maintenance of public roads, streets,  
25                                  alleys or bridges, including right-of-way and materials

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

13 Section 4. Section 7-1-6.19 NMSA 1978 (being Laws 1991,  
 14 Chapter 9, Section 15, as amended) is amended to read:

15 "7-1-6.19. DISTRIBUTION-- COUNTY GOVERNMENT ROAD FUND  
 16 CREATED. --

17 A. There is created in the state treasury the  
 18 "county government road fund".

19 B. A distribution pursuant to Section 7-1-6.1 NMSA  
 20 1978 shall be made to the county government road fund in an  
 21 amount equal to [~~five and seventy-six hundredths percent~~] the  
 22 following percentage of the net receipts attributable to the  
 23 gasoline tax:

24 (1) prior to February 1, 2003, five and  
 25 seventy-six hundredths percent;

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1                   (2) from February 1, 2003 through January 31,  
2 2004, five and forty-four hundredths percent;

3                   (3) from February 1, 2004 through January 31,  
4 2005, five and sixteen hundredths percent;

5                   (4) from February 1, 2005 through January 31,  
6 2006, four and nine-tenths percent; and

7                   (5) after January 31, 2006, four and sixty-  
8 six hundredths percent. "

9           Section 5.   Section 7-1-6.27 NMSA 1978 (being Laws 1991,  
10 Chapter 9, Section 20, as amended) is amended to read:

11           "7-1-6.27.   DISTRIBUTION--MUNICIPAL ROADS.--

12           A.   A distribution pursuant to Section 7-1-6.1 NMSA  
13 1978 shall be made to municipalities for the purposes and  
14 amounts specified in this section in an aggregate amount equal  
15 to [~~five and seventy-six hundredths percent~~] the following  
16 percentage of the net receipts attributable to the gasoline  
17 tax:

18                   (1) prior to February 1, 2003, five and  
19 seventy-six hundredths percent;

20                   (2) from February 1, 2003 through January 31,  
21 2004, five and forty-four hundredths percent;

22                   (3) from February 1, 2004 through January 31,  
23 2005, five and sixteen hundredths percent;

24                   (4) from February 1, 2005 through January 31,  
25 2006, four and nine-tenths percent; and

1                                   (5) after January 31, 2006, four and sixty-  
2 six hundredths percent.

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

5                                   (1) reconstructing, resurfacing, maintaining,  
6 repairing or otherwise improving existing alleys, streets,  
7 roads or bridges, or any combination of the foregoing; or  
8 laying off, opening, constructing or otherwise acquiring new  
9 alleys, streets, roads or bridges, or any combination of the  
10 foregoing; provided that any of the foregoing improvements may  
11 include, but are not limited to, the acquisition of rights of  
12 way;

13                                   (2) to provide matching funds for projects  
14 subject to cooperative agreements with the state highway and  
15 transportation department pursuant to Section 67-3-28 NMSA  
16 1978; and

17                                   (3) for expenses of purchasing, maintaining  
18 and operating transit operations and facilities, for the  
19 operation of a transit authority established by the municipal  
20 transit law and for the operation of a vehicle emission  
21 inspection program. A municipality may engage in the business  
22 of the transportation of passengers and property within the  
23 political subdivision by whatever means the municipality may  
24 decide and may acquire cars, trucks, motor buses and other  
25 equipment necessary for operating the business. A

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1 municipality may acquire land, erect buildings and equip the  
2 buildings with all the necessary machinery and facilities for  
3 the operation, maintenance, modification, repair and storage  
4 of the cars, trucks, motor buses and other equipment needed.  
5 A municipality may do all things necessary for the acquisition  
6 and the conduct of the business of public transportation.

7 C. For the purposes of this section:

8 (1) "computed distribution amount" means the  
9 distribution amount calculated for a municipality for a month  
10 pursuant to Paragraph (2) of Subsection D of this section  
11 prior to any adjustments to the amount due to the provisions  
12 of Subsections E and F of this section;

13 (2) "floor amount" means four hundred  
14 seventeen dollars (\$417);

15 (3) "floor municipality" means a municipality  
16 whose computed distribution amount is less than the floor  
17 amount; and

18 (4) "full distribution municipality" means a  
19 municipality whose population at the last federal decennial  
20 census was at least two hundred thousand.

21 D. Subject to the provisions of Subsections E and  
22 F of this section, each municipality shall be distributed a  
23 portion of the aggregate amount distributable under this  
24 section in an amount equal to the greater of:

25 (1) the floor amount; or



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

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

23 F. If a balance remains after the redistribution  
 24 amount has been reduced pursuant to Subsection E of this  
 25 section, there shall be added to the computed distribution

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1 amount of each municipality that is neither a full  
2 distribution municipality nor a floor municipality an amount  
3 that equals the balance of the redistribution amount times a  
4 fraction, the numerator of which is the computed distribution  
5 amount of the municipality and the denominator of which is the  
6 sum of the computed distribution amounts of all municipalities  
7 that are neither full distribution municipalities nor floor  
8 municipalities. "

9 Section 6. Section 7-1-6.28 NMSA 1978 (being Laws 1991,  
10 Chapter 9, Section 22, as amended) is amended to read:

11 "7-1-6.28. DISTRIBUTION--MUNICIPAL ARTERIAL PROGRAM OF  
12 LOCAL GOVERNMENTS ROAD FUND.--A distribution pursuant to  
13 Section 7-1-6.1 NMSA 1978 shall be made to the municipal  
14 arterial program of the local governments road fund created in  
15 Section 67-3-28.2 NMSA 1978 in an amount equal to [~~one and~~  
16 ~~forty-four hundredths percent~~] the following percentage of the  
17 net receipts attributable to the gasoline tax:

18 A. prior to February 1, 2003, one and forty-four  
19 hundredths percent;

20 B. from February 1, 2003 through January 31, 2004,  
21 one and thirty-six hundredths percent;

22 C. from February 1, 2004 through January 31, 2005,  
23 one and twenty-nine hundredths percent;

24 D. from February 1, 2005 through January 31, 2006,  
25 one and twenty-three hundredths percent; and

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1                   E. after January 31, 2006, one and seventeen  
2 hundredths percent. "

3                   Section 7. Section 7-1-6.39 NMSA 1978 (being Laws 1995,  
4 Chapter 6, Section 9) is amended to read:

5                   "7-1-6.39. DISTRIBUTION OF SPECIAL FUEL EXCISE TAX TO  
6 LOCAL GOVERNMENTS ROAD FUND. -- A distribution pursuant to  
7 Section 7-1-6.1 NMSA 1978 shall be made to the local  
8 governments road fund in an amount equal to [~~eleven and eleven~~  
9 ~~hundredths percent~~] the following percentage of the net  
10 receipts attributable to the taxes, exclusive of penalties and  
11 interest, from the special fuel excise tax imposed by the  
12 Special Fuels Supplier Tax Act:

13                   A. prior to February 1, 2003, eleven and eleven  
14 hundredths percent;

15                   B. from February 1, 2003 through January 31, 2004,  
16 ten and fifty-two hundredths percent;

17                   C. from February 1, 2004 through January 31, 2005,  
18 ten percent;

19                   D. from February 1, 2005 through July 31, 2006,  
20 nine and fifty-two hundredths percent; and

21                   E. after January 31, 2006, nine and nine  
22 hundredths percent. "

23                   Section 8. Section 7-13-3 NMSA 1978 (being Laws 1971,  
24 Chapter 207, Section 3, as amended) is amended to read:

25                   "7-13-3. IMPOSITION AND RATE OF TAX--DENOMINATION AS  
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1 "GASOLINE TAX". --

2 A. For the privilege of receiving gasoline in this  
3 state, there is imposed an excise tax at a rate provided in  
4 Subsection B of this section on each gallon of gasoline  
5 received in New Mexico.

6 B. The tax imposed by Subsection A of this section  
7 shall be [~~seventeen cents (\$.17)~~] at the following rate per  
8 gallon received in New Mexico:

9 (1) prior to January 1, 2003, seventeen cents  
10 (\$.17);

11 (2) from January 1, 2003 through December 31,  
12 2003, eighteen cents (\$.18);

13 (3) from January 1, 2004 through December 31,  
14 2004, nineteen cents (\$.19);

15 (4) from January 1, 2005 through December 31,  
16 2005, twenty cents (\$.20); and

17 (5) after December 31, 2005, twenty-one cents  
18 (\$.21).

19 C. The tax imposed by this section may be called  
20 the "gasoline tax".

21 Section 9. Section 7-14-10 NMSA 1978 (being Laws 1988,  
22 Chapter 73, Section 20, as amended) is amended to read:

23 "7-14-10. DISTRIBUTION OF PROCEEDS.--The receipts from  
24 the tax and any associated interest and penalties shall be  
25 deposited in the "motor vehicle suspense fund", hereby created

1 in the state treasury. As of the end of each month, the net  
2 receipts attributable to the tax and associated penalties and  
3 interest shall be distributed [~~to the general fund~~] as  
4 follows:

5 A. for the period prior to January 1, 2003, one  
6 hundred percent to the general fund;

7 B. from January 1, 2003 through December 31, 2003,  
8 eighty-seven and one-half percent to the general fund and  
9 twelve and one-half percent to the state road fund;

10 C. from January 1, 2004 through December 31, 2004,  
11 seventy-five percent to the general fund and twenty-five  
12 percent to the state road fund;

13 D. from January 1, 2005 through December 31, 2005,  
14 sixty-two and one-half percent to the general fund and thirty-  
15 seven and one-half percent to the state road fund; and

16 E. after December 31, 2005, fifty percent to the  
17 general fund and fifty percent to the state road fund."

18 Section 10. Section 7-16A-3 NMSA 1978 (being Laws 1992,  
19 Chapter 51, Section 3, as amended) is amended to read:

20 "7-16A-3. IMPOSITION AND RATE OF TAX--DENOMINATION AS  
21 SPECIAL FUEL EXCISE TAX.--

22 A. For the privilege of receiving or using special  
23 fuel in this state, there is imposed an excise tax at a rate  
24 provided in Subsection B of this section on each gallon of  
25 special fuel received in New Mexico.

1           B. The tax imposed by Subsection A of this section  
2 shall be [~~eighteen cents (\$.18)~~] at the following rate per  
3 gallon of special fuel received or used in New Mexico:

4                   (1) prior to January 1, 2003, eighteen cents  
5  (\$. 18);

6                   (2) from January 1, 2003 through December 31,  
7 2003, nineteen cents (\$. 19);

8                   (3) from January 1, 2004 through December 31,  
9 2004, twenty cents (\$. 20);

10                   (4) from January 1, 2005 through December 31,  
11 2005, twenty-one cents (\$. 21); and

12                   (5) after December 31, 2005, twenty-two cents  
13  (\$. 22).

14           C. The tax imposed by this section may be called  
15 the "special fuel excise tax". "

16           Section 11. Section 67-3-59.1 NMSA 1978 (being Laws  
17 1989, Chapter 157, Section 1, as amended) is amended to read:

18           "67-3-59.1. STATE HIGHWAY DEBENTURES--ISSUANCE--  
19 LIMITS--APPROVAL--COUPONS.--

20           A. In order to provide funds to finance state  
21 highway projects, including state highway projects that are  
22 required for the waste isolation pilot project and are  
23 eligible for federal reimbursement or payment as authorized by  
24 federal legislation, the state highway commission is  
25 authorized, subject to the limitations of this section, to

1 issue bonds from time to time, payable from federal funds not  
 2 otherwise obligated that are paid into the state road fund,  
 3 the proceeds of the collection of taxes and fees that are  
 4 required by law to be paid into the state road fund and not  
 5 otherwise pledged solely to the payment of outstanding bonds  
 6 and debentures.

7 B. Except as provided in [~~Subsections C and D~~]  
 8 Subsection C of this section, the total aggregate outstanding  
 9 principal amount of bonds issued from time to time pursuant to  
 10 this section, secured by or payable from federal funds not  
 11 otherwise obligated that are paid into the state road fund and  
 12 the proceeds from the collection of taxes and fees required by  
 13 law to be paid into the state road fund, shall not, without  
 14 additional authorization of the state legislature, exceed one  
 15 hundred fifty million dollars (\$150,000,000) at any given  
 16 time, subject to the following provisions:

17 (1) the total aggregate outstanding principal  
 18 amount of bonds issued for state highway projects that are  
 19 required for the waste isolation pilot project and are  
 20 eligible for federal reimbursement or payment as authorized by  
 21 federal legislation shall not exceed one hundred million  
 22 dollars (\$100,000,000); and

23 (2) the total aggregate outstanding principal  
 24 amount of bonds issued for state highway projects other than  
 25 state highway projects that are required for the waste

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1 isolation pilot project and are eligible for federal  
2 reimbursement or payment as authorized by federal legislation  
3 shall not exceed fifty million dollars (\$50,000,000).

4 C. Upon specific authorization and appropriation  
5 by the legislature, [~~and subject to the limitations of~~  
6 ~~Subsection D of this section~~] an additional amount of bonds  
7 may be issued pursuant to this section for state highway  
8 projects, to be secured by or payable from taxes or fees  
9 required by law to be paid into the state road fund and  
10 federal funds not otherwise obligated that are paid into the  
11 state road fund, and, as applicable, taxes or fees required by  
12 law to be paid into the highway infrastructure fund, as  
13 follows:

14 (1) an aggregate outstanding principal amount  
15 of bonds, not to exceed six hundred twenty-four million  
16 dollars (\$624,000,000), for major highway infrastructure  
17 projects for which the department has, prior to January 1,  
18 1998, submitted or initiated the process of submitting a plan  
19 to the federal highway administration for innovative financing  
20 pursuant to 23 USCA Sections 122 and 307;

21 (2) an aggregate outstanding principal amount  
22 of bonds, not to exceed one hundred million dollars  
23 (\$100,000,000), for state highway projects that are required  
24 for the waste isolation pilot project and are eligible for  
25 federal reimbursement; and



1 (3) an aggregate outstanding principal amount  
 2 of bonds, not to exceed [~~four hundred million dollars~~  
 3 ~~(\$400,000,000)~~] one billion seven hundred thirty-three  
 4 million eight hundred ninety thousand dollars  
 5 (\$1,733,890,000), for other state highway projects.

6 [~~D. The total amount of bonds that may be issued~~  
 7 ~~by the state highway commission for state highway projects~~  
 8 ~~pursuant to Subsection C of this section shall not exceed a~~  
 9 ~~total aggregate outstanding principal amount of:~~

10 (1) ~~three hundred million dollars~~  
 11 ~~(\$300,000,000) prior to July 1, 1999;~~

12 (2) ~~six hundred million dollars~~  
 13 ~~(\$600,000,000) from July 1, 1999 through June 30, 2000;~~

14 (3) ~~nine hundred million dollars~~  
 15 ~~(\$900,000,000) from July 1, 2000 through June 30, 2001; and~~

16 (4) ~~one billion one hundred twenty-four~~  
 17 ~~million dollars (\$1,124,000,000) after June 30, 2001.~~

18 ~~E.] D.~~ The state highway commission may issue  
 19 bonds to refund other bonds issued pursuant to this section by  
 20 exchange or current or advance refunding.

21 [~~F.] E.~~ Each series of bonds shall have a maturity  
 22 of no more than twenty-five years from the date of issuance.  
 23 The state highway commission shall determine all other terms,  
 24 covenants and conditions of the bonds; provided that the bonds  
 25 shall not be issued pursuant to this section unless the state

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1 board of finance approves the issuance of the bonds and the  
2 principal amount of and interest rate or maximum net effective  
3 interest rate on the bonds.

4 [G.] F. The bonds shall be executed with the  
5 manual or facsimile signature of the chairman of the state  
6 highway commission, countersigned by the state treasurer and  
7 attested to by the secretary of the state highway commission,  
8 with the seal of the state highway commission imprinted or  
9 otherwise affixed to the bonds.

10 [H.] G. Proceeds of the bonds may be used to pay  
11 expenses incurred in the preparation, issuance and sale of the  
12 bonds and, together with the earnings on the proceeds of the  
13 bonds, may be used to pay rebate, penalty, interest and other  
14 obligations relating to the bonds and the proceeds of the  
15 bonds under the Internal Revenue Code of 1986, as amended.

16 [I.] H. The bonds may be sold at a public or  
17 negotiated sale at, above or below par or through the New  
18 Mexico finance authority. Any negotiated sale shall be made  
19 with one or more investment [~~banker~~] bankers whose services  
20 are obtained through a competitive proposal process. For any  
21 sale, the state highway commission or the New Mexico finance  
22 authority shall also procure the services of any financial  
23 advisor or bond counsel through a competitive proposal  
24 process. If sold at public sale, a notice of the time and  
25 place of sale shall be published in a newspaper of general

1 circulation in the state, and in any other newspaper  
 2 determined in the resolution authorizing the issuance of the  
 3 bonds, once each week for two consecutive weeks prior to the  
 4 date of sale. The bonds may be purchased by the state  
 5 treasurer or state investment officer.

6 ~~[J.]~~ I. This section is full authority for the  
 7 issuance and sale of the bonds, and the bonds shall not be  
 8 invalid for any irregularity or defect in the proceedings for  
 9 their issuance and sale and shall be incontestable in the  
 10 hands of bona fide purchasers or holders of the bond for  
 11 value.

12 ~~[K.]~~ J. The bonds shall be legal investments for  
 13 any person or board charged with the investment of public  
 14 funds and may be accepted as security for any deposit of  
 15 public money and, with the interest thereon, are exempt from  
 16 taxation by the state and any political subdivision or agency  
 17 of the state.

18 ~~[L.]~~ K. Any law authorizing the imposition or  
 19 distribution of taxes or fees paid into the state road fund or  
 20 the highway infrastructure fund or that affects those taxes  
 21 and fees shall not be amended or repealed or otherwise  
 22 directly or indirectly modified so as to impair any  
 23 outstanding bonds secured by a pledge of revenues from those  
 24 taxes and fees paid into the state road fund or the highway  
 25 infrastructure fund, unless the bonds have been discharged in

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1 full or provisions have been made for a full discharge. In  
2 addition, while any bonds issued by the state highway  
3 commission pursuant to the provisions of this section remain  
4 outstanding, the powers or duties of the commission shall not  
5 be diminished or impaired in any manner that will affect  
6 adversely the interests and rights of the holder of such  
7 bonds.

8 ~~[M-]~~ L. In contracting for state highway projects  
9 to be paid in whole or in part with proceeds of bonds  
10 authorized by this section, the department shall require that  
11 any sand, gravel, caliche or similar material needed for the  
12 project shall, if practicable, be mined from state lands.  
13 Each contract shall provide that the contractor notify the  
14 commissioner of public lands of the need for the material and  
15 that, through lease or purchase, the material shall be mined  
16 from state lands if:

17 (1) the material needed is available from  
18 state lands in the vicinity of the project;

19 (2) the commissioner determines that the  
20 lease or purchase is in the best interest of the state land  
21 trust beneficiaries; and

22 (3) the cost to the contractor for the  
23 material, including the costs of transportation, is  
24 competitive with other available material from non-state  
25 lands.

1           ~~[N-]~~ M Bonds issued pursuant to this section  
 2 shall be paid solely from federal funds not otherwise  
 3 obligated and taxes and fees deposited into the state road  
 4 fund and, as applicable, the highway infrastructure fund, and  
 5 shall not constitute a general obligation of the state."

6           Section 12. STATE HIGHWAY BONDS--PURPOSE FOR WHICH  
 7 ISSUED-- APPROPRIATION OF PROCEEDS. --

8           A. The state highway commission may issue and sell  
 9 state highway bonds in compliance with the provisions of  
 10 Section 67-3-59.1 NMSA 1978 in an amount not to exceed the  
 11 total of the amounts authorized for purposes specified in this  
 12 section when the commission determines the need for the  
 13 issuance of the bonds. The state highway commission shall  
 14 schedule the issuance and sale of the bonds in the most  
 15 expeditious and economic manner possible upon a finding by the  
 16 commission that the project has been developed sufficiently to  
 17 justify the issuance and that the project can proceed to  
 18 contract within a reasonable time. The proceeds from the sale  
 19 of the bonds are appropriated to the state highway and  
 20 transportation department in the following amounts for the  
 21 following purposes:

22                       (1) seventy-two million dollars (\$72,000,000)  
 23 for the four-lane construction of United States highway 180  
 24 from Silver City to Deming;

25                       (2) fifty-three million five hundred sixty

underscored material = new  
 [bracketed material] = delete

1 thousand dollars (\$53,560,000) for the six-lane construction  
2 of interstate 10 from the interstate 25 interchange to the  
3 Texas state line;

4 (3) thirty-one million two hundred thousand  
5 dollars (\$31,200,000) for the six-lane construction of  
6 interstate 25 from the tramway interchange to the United  
7 States highway 550 interchange;

8 (4) seventy-four million six hundred ninety  
9 thousand dollars (\$74,690,000) for the four-lane construction  
10 of United States highway 666 from Sheep Springs to the  
11 Colorado state line;

12 (5) one hundred eighty-five million three  
13 hundred seventy thousand dollars (\$185,370,000) for the four-  
14 lane construction of United States highways 64 and 87 from  
15 Raton to Clayton;

16 (6) eighty-eight million six hundred ten  
17 thousand dollars (\$88,610,000) for construction of a new four-  
18 lane northwest loop highway from New Mexico 550 to interstate  
19 40 near the rio puerco;

20 (7) seventy-nine million one hundred seventy  
21 thousand dollars (\$79,170,000) for the four-lane construction  
22 of United States highway 285 from Clines Corners to Lamy;

23 (8) three hundred twenty-nine million ten  
24 thousand dollars (\$329,010,000) for the four-lane construction  
25 of United States highway 54 from Tularosa to Santa Rosa;

1 (9) eighty-five million dollars (\$85,000,000)  
2 for the four-lane construction of United States highway 54  
3 from Tucumcari to the Texas state line;

4 (10) fifteen million two hundred forty  
5 thousand dollars (\$15,240,000) for construction of New Mexico  
6 404 from interstate 10 to United States highway 54;

7 (11) seventy-five million two hundred ten  
8 thousand dollars (\$75,210,000) for the four-lane construction  
9 of United States highways 62 and 180 from Carlsbad to the  
10 Texas state line;

11 (12) forty-five million dollars (\$45,000,000)  
12 for the four-lane construction of United States highway 285  
13 from Carlsbad to the Texas state line;

14 (13) eleven million two hundred twenty  
15 thousand dollars (\$11,220,000) for the four-lane construction  
16 of New Mexico 18 from Jal to the Texas state line;

17 (14) eighteen million dollars (\$18,000,000)  
18 for a new east loop Espanola relief route;

19 (15) ninety-four million two hundred thousand  
20 dollars (\$94,200,000) for the four-lane construction of United  
21 States highway 82 from Artesia to Lovington;

22 (16) twenty-five million four hundred  
23 thousand dollars (\$25,400,000) for the six-lane construction  
24 of interstate 25 from New Mexico 47 to Cesar Chavez boulevard;

25 (17) twelve million ten thousand dollars

1 (\$12,010,000) for a new bypass route in Deming off interstate  
2 10;

3 (18) fifteen million dollars (\$15,000,000)  
4 for a new Richards avenue interchange on interstate 25 in  
5 Santa Fe county;

6 (19) fifteen million dollars (\$15,000,000)  
7 for the construction and expansion of Paseo del Norte west to  
8 Unser boulevard in Bernalillo county; and

9 (20) nine million dollars (\$9,000,000) for  
10 improvements to Isleta boulevard in Bernalillo county.

11 B. The appropriations of state highway bond  
12 proceeds in Subsection A of this section are in addition to  
13 the amounts of bonds authorized in Laws 1998, Chapter 84,  
14 Section 1 and Laws 1998, Chapter 85, Section 1.

15 C. For the purposes of this section,  
16 "construction" and "improvement" include planning, design,  
17 engineering, construction and acquisition of rights of way.

18 Section 13. Laws 1995, Chapter 6, Section 23 is amended  
19 to read:

20 "Section 23. EFFECTIVE DATE. --

21 A. The effective date of the provisions of  
22 Sections 10 and 12 through 14 of [~~this act~~] Laws 1995, Chapter  
23 6 is July 1, 1995.

24 B. The effective date of the provisions of  
25 Sections 1 through 9 and 21 of [~~this act~~] Laws 1995, Chapter



