

HOUSE TAXATION AND REVENUE COMMITTEE SUBSTITUTE FOR
HOUSE BILL 220

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

AN ACT

RELATING TO TRANSPORTATION; DISTRIBUTING REVENUE FROM THE MOTOR VEHICLE EXCISE TAX TO THE GENERAL FUND, THE STATE ROAD FUND AND THE LOCAL GOVERNMENT TRANSPORTATION PROJECT FUND; PROHIBITING A PLEDGE OF A PORTION OF THE DISTRIBUTIONS TO THE STATE ROAD FUND AND THE LOCAL GOVERNMENT TRANSPORTATION PROJECT FUND TO BE USED FOR THE PAYMENT OF BONDS; CLARIFYING AND ADDING DEFINITIONS TO THE LOCAL GOVERNMENT TRANSPORTATION PROJECT FUND.

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

SECTION 1. 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

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1 receipts attributable to the tax and associated penalties and
2 interest shall be distributed as follows:

3 A. prior to July 1, 2021:

4 (1) seventy-one and eighty-nine hundredths
5 percent to the general fund;

6 (2) three and eleven hundredths percent to the
7 state road fund; and

8 (3) twenty-five percent to the department of
9 transportation, for expenditures needed to mitigate the
10 emergency road conditions related to activity in the oil field
11 in state transportation commission district 2; and

12 B. beginning July 1, 2021:

13 [~~(1) fifty-nine and thirty-nine hundredths~~]

14 (1) forty-two percent to the general fund;

15 [~~(2) twenty-one and eighty-six hundredths~~]

16 (2) thirty-five percent to the state road
17 fund; and

18 [~~(3) eighteen and seventy-five hundredths~~]

19 (3) twenty-three percent to the local
20 [~~governments road~~] government transportation project fund."

21 SECTION 2. Section 67-3-65.1 NMSA 1978 (being Laws 1983,
22 Chapter 211, Section 40, as amended) is amended to read:

23 "67-3-65.1. STATE ROAD FUND [DISTRIBUTION]

24 DISTRIBUTIONS--LIMITATIONS ON USE.--

25 A. The amounts distributed to the state road fund

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1 pursuant to Sections 7-1-6.10, 66-6-23 and 66-6-23.1 NMSA 1978
 2 shall be used for maintenance, construction and improvement of
 3 state transportation projects and to meet federal allotments
 4 under the federal-aid road laws, but sufficient money from the
 5 state road fund shall be set aside each year by the state
 6 treasurer to pay the principal and interest due each year on
 7 state transportation revenue bonds issued to anticipate the
 8 collection of this revenue.

9 B. No more than twenty-five percent of the
 10 distribution made to the state road fund pursuant to Paragraph
 11 (2) of Subsection B of Section 7-14-10 NMSA 1978 may be pledged
 12 for the payment of bonds or debentures or expended to pay the
 13 principal or interest of outstanding bonds or debentures."

14 SECTION 3. Section 67-3-78 NMSA 1978 (being Laws 2019,
 15 Chapter 205, Section 1) is amended to read:

16 "67-3-78. ~~[DEFINITIONS]~~ LOCAL GOVERNMENT TRANSPORTATION
 17 PROJECT FUND CREATED--~~[DISTRIBUTIONS]~~ PLANNING AND
 18 PRIORITIZATION OF FUNDING TRANSPORTATION PROJECTS FOR LOCAL
 19 GOVERNMENTS.--

20 ~~[A. As used in this section:~~

21 ~~(1) "fund" means the local government~~
 22 ~~transportation project fund;~~

23 ~~(2) "local government" means a county or~~
 24 ~~municipality;~~

25 ~~(3) "local government transportation project"~~

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1 ~~means environmental and other studies, planning, design,~~
2 ~~construction and acquisition of rights of way necessary for the~~
3 ~~development of transportation infrastructure in a county or~~
4 ~~municipality;~~

5 ~~(4) "non-state money" means money that does~~
6 ~~not derive from revenue or interest into the state treasury or~~
7 ~~into a state fund; and~~

8 ~~(5) "transportation infrastructure" means~~
9 ~~highways, streets, roadways, bridges, crossing structures and~~
10 ~~parking facilities, including all areas for vehicular use for~~
11 ~~travel, ingress, egress and parking.~~

12 ~~B.]~~ A. The "local government transportation project
13 fund" is created in the state treasury. The fund consists of
14 appropriations, donations, interest from investment of the fund
15 and other money distributed to the fund. The department shall
16 administer the fund and may establish subaccounts for the fund
17 as it deems necessary. Money in the fund is appropriated to
18 the department for expenditure as provided in this section.
19 Disbursements from the fund shall be made by warrant of the
20 secretary of finance and administration pursuant to vouchers
21 signed by the secretary of transportation or the secretary's
22 designee. Money in the fund shall not revert at the end of a
23 fiscal year.

24 ~~[G.]~~ B. Subject to the limitation pursuant to
25 Subsection C of this section, money in the fund may be used to

1 make a grant to a local government for a [~~local government~~]
 2 transportation project that has been approved pursuant to
 3 Subsection D of this section for up to:

4 (1) ninety-five percent of the total cost of a
 5 [~~local government~~] transportation project; provided that the
 6 local government has demonstrated an ability, and has
 7 contracted, to provide the remainder of the project costs in
 8 non-state money; or

9 (2) one hundred percent of the total cost of a
 10 [~~local government~~] transportation project if a financial
 11 hardship qualification certificate is issued to the local
 12 government by the department of finance and administration and
 13 the level of hardship assistance is approved by the state
 14 transportation commission; provided that the local government
 15 has demonstrated an ability, and has contracted, to provide the
 16 remainder, if any, of the project costs in non-state money.

17 C. No more than twenty-five percent of the
 18 distribution made to the local government transportation
 19 project fund pursuant to Paragraph (3) of Subsection B of
 20 Section 7-14-10 NMSA 1978 may be pledged for the payment of
 21 bonds or debentures or expended to pay the principal or
 22 interest of outstanding bonds or debentures.

23 D. By [~~August 1, 2019 and by~~] August 1 of each year
 24 [~~thereafter~~], the secretary shall submit a proposed list to the
 25 state transportation commission of [~~local government~~]

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1 transportation projects identified through a transportation
2 planning process by [~~the department's metropolitan planning~~
3 ~~organization and regional transportation planning organization~~
4 ~~planning process to the state transportation commission.~~
5 Subject to any direction by the legislature regarding
6 distributions from the fund, such as minimum distributions by
7 engineering districts or to rural or urbanized local
8 governments] metropolitan planning organizations and regional
9 transportation planning organizations. The commission shall
10 approve a prioritized list of [~~local government~~] the
11 transportation projects for funding from the fund by [~~September~~
12 ~~1, 2019 and by~~] September 1 of each year [~~thereafter~~]. The
13 commission may approve subsequent changes to a priority list as
14 [~~it~~] the commission deems necessary.

15 E. By [~~November 30, 2019 and by~~] November 30 of
16 each year [~~thereafter~~], the department shall provide a report
17 to the appropriate interim legislative committee on the status
18 of the fund, the status of the [~~local government~~]
19 transportation projects for which grants have been made from
20 the fund and the outstanding demand for assistance from the
21 fund.

22 F. As used in this section:

23 (1) "fund" means the local government
24 transportation project fund;

25 (2) "local government" means a county or

1 municipality;

2 (3) "metropolitan planning organization" means
3 the policy board of an organization designated by the state to
4 carry out a transportation planning process as permitted by
5 federal law pursuant to 23 U.S.C. 134, as that section may be
6 amended or renumbered;

7 (4) "non-state money" means money that does
8 not derive from revenue or interest into the state treasury or
9 into a state fund;

10 (5) "regional transportation planning
11 organization" means the policy board of an organization
12 designated by the state to carry out a transportation planning
13 process as permitted by federal law pursuant to 23 U.S.C. 135,
14 as that section may be amended or renumbered;

15 (6) "transportation infrastructure" means
16 highways, streets, roadways, bridges, crossing structures and
17 parking facilities, including all areas for vehicular use for
18 travel, ingress, egress and parking; and

19 (7) "transportation project" means
20 environmental and other studies, planning, design, construction
21 and maintenance of transportation infrastructure, and
22 acquisition of rights of way necessary for the development of
23 transportation infrastructure, but not including a
24 transportation enhancement or beautification project, as
25 determined by the state transportation commission."

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