AN ACT

RELATING TO CAPITAL EXPENDITURES; AUTHORIZING THE ISSUANCE OF SEVERANCE TAX BONDS FOR THE PURPOSE OF MAKING IMPROVEMENTS TO CERTAIN STREETS IN THE TOWN OF HAGERMAN LOCATED IN CHAVES COUNTY; MAKING AN APPROPRIATION; DECLARING AN EMERGENCY.

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

Section 1. SEVERANCE TAX BONDS--PURPOSE FOR WHICH ISSUED--APPROPRIATION OF PROCEEDS.--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 one hundred five thousand dollars ($105,000) when the state highway and transportation department 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 by the board that the

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1   project has been developed sufficiently to justify the issuance

2   and that the project can proceed to contract within a reasonable

3   time. The state board of finance shall further take the

4   appropriate steps necessary to comply with the Internal Revenue

5   Code of 1986, as amended. The proceeds from the sale of the

6   bonds are appropriated to the state highway and transportation

7   department for the purpose of making improvements to certain

8   streets in the town of Hagerman located in Chaves county. Any

9   unexpended or unencumbered balance remaining at the end of

10   fiscal year 1999 shall revert to the severance tax bonding fund.

11   If the state highway and transportation department has not

12   certified the need for the issuance of the bonds by the end of

13   fiscal year 1998, the authorization provided in this section

14   shall be void.

15   Section 2. EMERGENCY.--It is necessary for the public

16   peace, health and safety that this act take effect immediately.

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