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SENATE BILL 434

45TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2002

INTRODUCED BY

Leonard Lee Rawson

AN ACT

RELATING TO HIGHER EDUCATION; PROVIDING CERTAIN REQUIREMENTS  
FOR CAPITAL CONSTRUCTION.

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

Section 1. A new section of Chapter 21 NMSA 1978 is  
enacted to read:

" [NEW MATERIAL] HIGHER EDUCATION--CAPITAL CONSTRUCTION. --

A. A public post-secondary educational  
institution, in planning for new construction on a facility  
acquired by gift or from funds by gift, tax or bond, which  
results in new square footage for the institution, shall:

(1) identify the source of funding for annual  
operation and maintenance of the new facility, whether from  
state general funds, increased local mill levies, increased  
tuition revenue or other funds;

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1 (2) provide a five-year projection of  
2 required funding for annual operation and maintenance; and

3 (3) maintain a maintenance reserve fund  
4 equivalent to seven percent of the total construction cost for  
5 the facility to be used for future maintenance and repair of  
6 that facility.

7 B. In approving the new construction, the  
8 resolution adopted by the governing board or board of regents  
9 shall contain covenants and agreements deemed necessary to  
10 protect the bondholders, local taxpayers and the state."

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