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SENATE BILL 512

47TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2006

INTRODUCED BY

Pete Campos

AN ACT

RELATING TO CAPITAL EXPENDITURES; AUTHORIZING THE ISSUANCE OF SEVERANCE TAX BONDS; AUTHORIZING EXPENDITURES FROM CERTAIN FUNDS AND BALANCES; REAUTHORIZING BALANCES; CHANGING THE PURPOSE OF PRIOR AUTHORIZATIONS AND APPROPRIATIONS; CLARIFYING CONDITIONS FOR THE ISSUANCE OF BONDS; ESTABLISHING CONDITIONS FOR THE EXPENDITURE OF SEVERANCE TAX BOND PROCEEDS; ESTABLISHING CONDITIONS FOR THE REVERSION OF UNEXPENDED BALANCES; MAKING APPROPRIATIONS; DECLARING AN EMERGENCY.

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

Section 1. SEVERANCE TAX BONDS--AUTHORIZATIONS--
APPROPRIATION OF PROCEEDS.--

A. The state board of finance may issue and sell severance tax bonds in compliance with the Severance Tax Bonding Act in an amount not to exceed the total of the amounts

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1 authorized for purposes specified in this act. The state board
2 of finance shall schedule the issuance and sale of the bonds in
3 the most expeditious and economical manner possible upon a
4 finding by the board that the project has been developed
5 sufficiently to justify the issuance and that the project can
6 proceed to contract within a reasonable time. The state board
7 of finance shall further take the appropriate steps necessary
8 to comply with the Internal Revenue Code of 1986, as amended.
9 Proceeds from the sale of the bonds are appropriated for the
10 purposes specified in this act.

11 B. The agencies named in this act shall certify to
12 the state board of finance when the money from the proceeds of
13 the severance tax bonds authorized in this section is needed
14 for the purposes specified in the applicable section of this
15 act. If an agency has not certified the need for the issuance
16 of the bonds for a particular project, including projects that
17 have been reauthorized, by the end of fiscal year 2008, the
18 authorization for that project is void.

19 C. Before an agency may certify for the issuance of
20 severance tax bonds, the project must be developed sufficiently
21 so that the agency reasonably expects to:

22 (1) incur within six months after the
23 applicable bonds have been issued a substantial binding
24 obligation to a third party to expend at least five percent of
25 the bond proceeds for the project; and

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1 (2) spend at least eighty-five percent of the
2 bond proceeds within three years after the applicable bonds
3 have been issued.

4 D. Except as otherwise provided in this section or
5 another section of this act, the unexpended balance from the
6 proceeds of severance tax bonds issued for a project, including
7 projects that have been reauthorized, shall revert to the
8 severance tax bonding fund as follows:

9 (1) for projects for which severance tax bonds
10 were issued to match federal grants, six months after
11 completion of the project;

12 (2) for projects for which severance tax bonds
13 were issued to purchase vehicles, heavy equipment, educational
14 technology or other equipment or furniture that is not related
15 to a more inclusive construction or renovation project, at the
16 end of the fiscal year following the fiscal year in which the
17 severance tax bonds were issued for the purchase;

18 (3) for projects for which severance tax bonds
19 were issued to purchase emergency vehicles or other vehicles
20 that require special equipment, at the end of the fiscal year
21 two years following the fiscal year in which the severance tax
22 bonds were issued for the purchase; and

23 (4) for all other projects for which severance
24 tax bonds were issued, within six months of completion of the
25 project, but no later than the end of fiscal year 2011.

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1 E. Except for appropriations to the capital program
2 fund, money from severance tax bond proceeds provided pursuant
3 to this act shall not be used to pay indirect project costs.

4 F. For the purpose of this section, "unexpended
5 balance" means the remainder of an appropriation after
6 reserving for unpaid costs and expenses covered by binding
7 written obligations to third parties.

8 Section 2. GENERAL FUND AND OTHER FUND APPROPRIATIONS--
9 LIMITATIONS--REVERSIONS.--

10 A. Except as otherwise provided in this section or
11 another section of this act, the unexpended balance of an
12 appropriation made in this act from the general fund or other
13 state fund, including changes to prior appropriations, shall
14 revert to the originating fund as follows:

15 (1) for projects for which appropriations were
16 made to match federal grants, six months after completion of
17 the project;

18 (2) for projects for which appropriations were
19 made to purchase vehicles, heavy equipment, educational
20 technology or equipment or furniture that is not related to a
21 more inclusive construction or renovation project, at the end
22 of the fiscal year following the fiscal year in which the
23 appropriation was made for the purchase;

24 (3) for projects for which appropriations were
25 made to purchase emergency vehicles or other vehicles that

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1 require special equipment, at the end of the fiscal year two
2 years following the fiscal year in which the appropriation was
3 made for the purchase; and

4 (4) for all other projects for which
5 appropriations were made, within six months of completion of
6 the project, but no later than the end of fiscal year 2011.

7 B. Except for appropriations to the capital program
8 fund, money from appropriations made in this act shall not be
9 used to pay indirect project costs.

10 C. For the purpose of this section, "unexpended
11 balance" means the remainder of an appropriation after
12 reserving for unpaid costs and expenses covered by binding
13 written obligations to third parties.

14 Section 3. AGING PROJECTS--AGING AND LONG-TERM SERVICES
15 DEPARTMENT--SEVERANCE TAX BONDS.--Pursuant to the provisions of
16 Section 1 of this act, upon certification by the aging and
17 long-term services department that the need exists for the
18 issuance of the bonds, two million eight hundred thousand
19 dollars (\$2,800,000) is appropriated to the aging and long-term
20 services department to purchase vehicles for senior centers
21 statewide.

22 Section 4. STATEWIDE MAGISTRATE COURT PROJECTS--
23 ADMINISTRATIVE OFFICE OF THE COURTS--SEVERANCE TAX BONDS.--
24 Pursuant to the provisions of Section 1 of this act, upon
25 certification by the administrative office of the courts that

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1 the need exists for the issuance of the bonds, five hundred
2 thousand dollars (\$500,000) is appropriated to the
3 administrative office of the courts for improvements to
4 purchase proximity entrance systems, shatterproof security
5 windows at clerks' counters, panic-duress alarms, X-ray
6 machines and interior door locks for magistrate courts
7 statewide.

8 Section 5. STATEWIDE MAIN STREET PROJECTS--ECONOMIC
9 DEVELOPMENT DEPARTMENT--SEVERANCE TAX BONDS.--Pursuant to the
10 provisions of Section 1 of this act, upon certification by the
11 economic development department that the need exists for the
12 issuance of the bonds, four million dollars (\$4,000,000) is
13 appropriated to the economic development department to fund
14 main street projects in communities statewide, including
15 building renovations, renovations to historic plaza centers,
16 streetlights, sidewalks, awnings and signage.

17 Section 6. CULTURAL AFFAIRS PROJECTS--CULTURAL AFFAIRS
18 DEPARTMENT--SEVERANCE TAX BONDS.--Pursuant to the provisions of
19 Section 1 of this act, upon certification by the cultural
20 affairs department that the need exists for the issuance of the
21 bonds, seven million seven hundred thousand dollars
22 (\$7,700,000) is appropriated to the cultural affairs department
23 to fund statewide facility repairs and improvements to comply
24 with health and safety requirements of the Americans with
25 Disabilities Act of 1990 at cultural affairs department

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1 facilities statewide.

2 Section 7. PARKS AND RECREATION PROJECTS--ENERGY,
3 MINERALS AND NATURAL RESOURCES DEPARTMENT--SEVERANCE TAX
4 BONDS.--Pursuant to the provisions of Section 1 of this act,
5 upon certification by the energy, minerals and natural
6 resources department that the need exists for the issuance of
7 bonds, three million five hundred thousand dollars (\$3,500,000)
8 is appropriated to the energy, minerals and natural resources
9 department for phase 4 infrastructure improvements at the Santa
10 Rosa warm water fish hatchery, rearing station and research and
11 education center in Guadalupe county.

12 Section 8. PUBLIC SAFETY PROJECTS--DEPARTMENT OF PUBLIC
13 SAFETY--SEVERANCE TAX BONDS.--Pursuant to the provisions of
14 Section 1 of this act, upon certification by the department of
15 public safety that the need exists for the issuance of bonds,
16 five million two hundred thousand dollars (\$5,200,000) is
17 appropriated to the department of safety to acquire land and
18 develop the site for, plan, design, construct, equip and
19 furnish a new state police district office in Las Vegas in San
20 Miguel county.

21 Section 9. DISTRICT COURT PROJECTS--FOURTH JUDICIAL
22 DISTRICT COURT--SEVERANCE TAX BONDS.--Pursuant to the
23 provisions of Section 1 of this act, upon certification by the
24 fourth judicial district court that the need exists for the
25 issuance of bonds, one million five hundred thousand dollars

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1 (\$1,500,000) is appropriated to the fourth judicial district
2 court to plan, design, construct, equip, furnish and install
3 security safeguards for a new courthouse in San Miguel county.

4 Section 10. HEALTH PROJECTS--DEPARTMENT OF HEALTH--
5 SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1
6 of this act, upon certification by the department of health
7 that the need exists for the issuance of bonds, five million
8 dollars (\$5,000,000) is appropriated to the capital program
9 fund to plan, design, construct, equip and furnish a new
10 Ponderosa nursing home at the New Mexico behavioral health
11 institute in Las Vegas in San Miguel county.

12 Section 11. PUBLIC SCHOOL PROJECTS--PUBLIC EDUCATION
13 DEPARTMENT--SEVERANCE TAX BONDS.--Pursuant to the provisions of
14 Section 1 of this act, upon certification by the public
15 education department that the need exists for the issuance of
16 bonds, six million dollars (\$6,000,000) is appropriated to the
17 public education department to plan, design, construct, equip
18 and furnish a cultural arts center at the Moriarty high school
19 in the Moriarty municipal school district in Torrance county.

20 Section 12. SEVENTH GRADE LAPTOP INITIATIVE--PUBLIC
21 EDUCATION DEPARTMENT--GENERAL FUND.--Eight million dollars
22 (\$8,000,000) is appropriated from the general fund to the
23 public education department for expenditure in fiscal years
24 2006 and 2007 to purchase laptop computers for seventh grade
25 students statewide.

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1 Section 13. STATEWIDE GROUND WATER MEASUREMENT--OFFICE OF
2 THE STATE ENGINEER--GENERAL FUND.--Five hundred thousand
3 dollars (\$500,000) is appropriated from the general fund to the
4 office of the state engineer for expenditure in fiscal years
5 2006 through 2011 to purchase and install well meters in
6 nondomestic wells statewide for ground water measurement.

7 Section 14. MESA ROAD ASBESTOS REMEDIATION--CHANGE TO
8 BELEN LIBRARY CONSTRUCTION--SEVERANCE TAX BONDS.--The
9 unexpended balance of the appropriation to the department of
10 environment for the project in Subsection 58 of Section 12 of
11 Chapter 347 of Laws 2005 for asbestos remediation in water and
12 sewer lines on Mesa road in Belen in Valencia county shall not
13 be expended for the original purpose but is appropriated to the
14 local government division to plan, design, construct, equip and
15 furnish a public library in Belen.

16 Section 15. SAN JUAN DETOXIFICATION CENTER--CHANGE TO
17 BEHAVIORAL HEALTH CENTER IN FARMINGTON--SEVERANCE TAX BONDS.--
18 The unexpended balance of the appropriation to the local
19 government division for the project in Subsection 155 of
20 Section 16 of Chapter 347 of Laws 2005 for a San Juan
21 detoxification center in San Juan county shall not be expended
22 for the original purpose but is changed to furnish and equip
23 the behavioral health center in Farmington in San Juan county.

24 Section 16. COMMUNICATIONS TOWER FOR THE TULAROSA SAFETY
25 BUILDING--CHANGE TO EQUIPMENT AND VEHICLES--GENERAL FUND.--The

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1 unexpended balance of the appropriation to the department of
2 public safety in Subsection 3 of Section 50 of Chapter 347 of
3 Laws 2005 to construct a communications tower for the Tularosa
4 safety building in Otero county shall not be expended for the
5 original purpose but is appropriated to the local government
6 division to purchase equipment and vehicles for the Tularosa
7 department of public safety in Otero county.

8 Section 17. PROJECT SCOPE--EXPENDITURES.--If an
9 appropriation for a project authorized in this act is not
10 sufficient to complete all the purposes specified, the
11 appropriation may be expended for any portion of the purposes
12 specified in the appropriation. Expenditures shall not be made
13 for purposes other than those specified in the appropriation.

14 Section 18. ART IN PUBLIC PLACES.--Pursuant to Section
15 13-4A-4 NMSA 1978 and where applicable, the appropriations
16 authorized in this act include one percent for the art in
17 public places fund.

18 Section 19. EMERGENCY.--It is necessary for the public
19 peace, health and safety that this act take effect immediately.