

AN ACT

RELATING TO AVIATION; PROVIDING FOR A MONTHLY DISTRIBUTION TO THE STATE AVIATION FUND; SPECIFYING USES OF THE STATE AVIATION FUND; EXTENDING FOR FIVE YEARS THE DISTRIBUTION TO THE AVIATION FUND FOR THE AIR SERVICE ASSISTANCE PROGRAM; DESIGNATING THE STATE AVIATION FUND AS A NONREVERTING FUND; MAKING AN APPROPRIATION.

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) is amended to read:

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

A. A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the state aviation fund in an amount equal to four and seventy-nine hundredths percent of the taxable gross receipts attributable to the sale of fuel specially prepared and sold for use in turboprop or jet-type engines as determined by the department.

B. A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the state aviation fund in an amount equal to twenty-six hundredths percent of gasoline taxes, exclusive of penalties and interest, collected pursuant to the Gasoline Tax Act.

C. From July 1, 2002 through June 30, 2012, a distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be

made to the state aviation fund in an amount equal to forty-six thousandths percent of the net receipts attributable to the gross receipts tax distributable to the general fund.

D. A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the state aviation fund from the net receipts attributable to the gross receipts tax distributable to the general fund in an amount equal to:

(1) eighty thousand dollars (\$80,000) monthly from July 1, 2007 through June 30, 2008;

(2) one hundred sixty-seven thousand dollars (\$167,000) monthly from July 1, 2008 through June 30, 2009; and

(3) two hundred fifty thousand dollars (\$250,000) monthly after July 1, 2009."

Section 2. Section 64-1-15 NMSA 1978 (being Laws 1963, Chapter 314, Section 7, as amended) is amended to read:

"64-1-15. STATE AVIATION FUND.--

A. There is created in the state treasury the "state aviation fund". All income to the state aviation fund is appropriated to the division. Earnings from investment of the fund shall be credited to the fund.

B. The amounts distributed to the state aviation fund pursuant to Subsection C of Section 7-1-6.7 NMSA 1978 shall be used for the air service assistance program. All other amounts distributed to the state aviation fund,

including collections by the division for aircraft registration pursuant to the Aircraft Registration Act, payments to the division pursuant to Sections 64-1-13 and 64-1-19 NMSA 1978 and reimbursements to the division from federal aviation administration funds or from any other source shall be used for planning and program administration, construction, equipment, materials and maintenance of a system of airports, navigation aids and related facilities. All expenditures shall be made in accordance with budgets approved by the department. Balances in the state aviation fund shall not be transferred and shall not revert to any other fund."

Section 3. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2007.