SENATE EDUCATION COMMITTEE SUBSTITUTE FOR
SENATE BILL 453

49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009

AN ACT

RELATING TO SEVERANCE TAX BONDS; AUTHORIZING THE ISSUANCE OF
SEVERANCE TAX BONDS TO BE USED TO BUILD OR RENOVATE AND EQUIP
SCIENCE LABORATORIES AT NEW MEXICO PUBLIC HIGH SCHOOLS; MAKING
AN APPROPRIATION.

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 pursuant to the Severance Tax Bonding Act
in an amount not to exceed one hundred thirty million dollars
($130,000,000) for expenditure by the public school capital
outlay council in fiscal years 2010 through 2014 to make grants
for projects to build or renovate and equip public high school
science laboratories throughout the state pursuant to

.176873.1

1 Subsections E through H of this section. The state board of

2 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 projects have been developed

5 sufficiently to justify the issuance and that the projects 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 to the

10 public school capital outlay council for the purposes specified

11 in this section.

12   B.   The public school capital outlay council shall

13 certify to the state board of finance when the money from the

14 proceeds of the severance tax bonds authorized in this section

15 is needed for the purposes specified in this section. If the

16 council has not certified the need for the issuance of the

17 bonds for a particular project, including a project that has

18 been reauthorized, by the end of fiscal year 2011, the

19 authorization for that project is void.

20   C.   Except as otherwise specifically provided by

21 law, the unexpended balance from the proceeds of severance tax

22 bonds issued pursuant to this section for a project shall

23 revert to the severance tax bonding fund within six months of

24 completion of the project, but no later than the end of fiscal

25 year 2014.

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1   D.   Money from severance tax bond proceeds provided

2 pursuant to this section shall not be used to pay indirect

3 project costs.

4   E.   Notwithstanding the provisions of Section

5 22-24-5 NMSA 1978, the expenditure of the appropriation made in

6 this section shall not be subject to a standards-based process,

7 but the public school capital outlay council shall develop a

8 process and methodology to evaluate and prioritize applications

9 made by public high schools for a grant award for a high school

10 science laboratory pursuant to this section.

11   F.   A school district desiring a grant award for a

12 high school science laboratory pursuant to this section shall

13 submit an application to the public school capital outlay

14 council. The application shall include an assessment of the

15 existing science laboratory and equipment at the high school

16 and the need for new or renovated laboratory facilities or

17 equipment.

18   G.   The public school facilities authority shall

19 verify the assessment made by the school district and rank the

20 application with similar applications pursuant to the

21 methodology adopted by the public school capital outlay

22 council.

23   H.   After a public hearing and to the extent that

24 money is available in the fund for the purposes of this

25 section, the public school capital outlay council shall approve

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grants for projects on the established priority basis.

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