

1 SENATE BILL 26

2 **49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SPECIAL SESSION, 2009**

3 INTRODUCED BY

4 Carlos R. Cisneros

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10 AN ACT

11 AUTHORIZING THE ISSUANCE OF SEVERANCE TAX BONDS AND
12 SUPPLEMENTAL SEVERANCE TAX BONDS; RECONCILING MULTIPLE
13 AMENDMENTS TO THE SAME SECTION OF LAW IN LAWS 2001; MAKING
14 APPROPRIATIONS; DECLARING AN EMERGENCY.

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

17 Section 1. SEVERANCE TAX BONDS, SHORT-TERM SEVERANCE TAX
18 BONDS AND SHORT-TERM SUPPLEMENTAL SEVERANCE TAX BONDS--
19 AUTHORIZATIONS--APPROPRIATION OF PROCEEDS.--In fiscal year
20 2010, the state board of finance may issue and sell severance
21 tax bonds, severance tax bonds with a term that does not extend
22 beyond the end of the fiscal year or supplemental severance tax
23 bonds with a term that does not extend beyond the end of the
24 fiscal year in compliance with the Severance Tax Bonding Act in
25 an aggregate amount not to exceed one hundred forty million

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1 dollars (\$140,000,000) when the secretary of finance and
2 administration certifies the need for the bonds. The state
3 board of finance shall schedule the issuance and sale of any
4 such bonds in the most expeditious and economical manner
5 possible. The state board of finance shall further take the
6 appropriate steps necessary to comply with the Internal Revenue
7 Code of 1986, as amended. Proceeds from the sale of the bonds
8 are appropriated to the general fund. The board of finance
9 division of the department of finance and administration shall
10 transfer the proceeds to the general fund for use by the
11 department of finance and administration in fiscal year 2010 to
12 restore the allotments made from the general fund for capital
13 project general fund appropriations that were enacted in prior
14 sessions of the legislature that are ongoing and that have an
15 expenditure period ending on or after June 30, 2010.

16 Section 2. Section 7-27-12 NMSA 1978 (being Laws 1961,
17 Chapter 5, Section 10, as amended by Laws 2001, Chapter 37,
18 Section 1 and by Laws 2001, Chapter 338, Section 1) is amended
19 to read:

20 "7-27-12. WHEN SEVERANCE TAX BONDS TO BE ISSUED.--

21 A. The state board of finance shall issue and sell
22 all severance tax bonds when authorized to do so by any law
23 that sets out the amount of the issue and the recipient of the
24 money.

25 B. The state board of finance shall also issue and

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1 sell severance tax bonds authorized by Sections 72-14-36
2 through 72-14-42 NMSA 1978, and such authority as has been
3 given to the interstate stream commission to issue and sell
4 such bonds is transferred to the state board of finance. The
5 state board of finance shall issue and sell all severance tax
6 bonds only when so instructed by resolution of the governing
7 body or by written direction from an authorized officer of the
8 recipient of the bond money.

9 C. Except as provided in Subsection D or E of this
10 section, proceeds from supplemental severance tax bonds shall
11 be used only for public school capital outlay projects pursuant
12 to the Public School Capital Outlay Act or the Public School
13 Capital Improvements Act.

14 D. Proceeds from supplemental severance tax bonds
15 issued pursuant to Paragraph (2) of Subsection A of Section 19
16 of Chapter 6 of Laws 1999 (1st S.S.) shall be used for the
17 purposes specified in that paragraph.

18 E. Proceeds from supplemental severance tax bonds
19 issued pursuant to Section 1 of this 2009 special session act
20 shall be used for the purposes specified in the authorizing
21 section.

22 [~~E.~~] F. Except as provided in Subsection [~~F~~] G or H
23 of this section, the state board of finance shall issue and
24 sell all supplemental severance tax bonds when so instructed by
25 resolution of the public school capital outlay council pursuant

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to Section 7-27-12.2 NMSA 1978.

~~[F-]~~ G. The state board of finance shall issue and sell supplemental severance tax bonds authorized by Paragraph (2) of Subsection A of Section 19 of Chapter 6 of Laws 1999 (1st S.S.) when so instructed by resolution of the ~~[commission~~ en] higher education department.

H. The state board of finance shall issue and sell the supplemental severance tax bonds authorized in Section 1 of this 2009 special session act upon the certification of the secretary of finance and administration."

Section 3. EMERGENCY.--It is necessary for the public peace, health and safety that this act take effect immediately.