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HOUSE BILL 559

52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015

INTRODUCED BY

Cathrynn N. Brown

AN ACT

RELATING TO HIGHWAYS; AUTHORIZING THE ISSUANCE OF SEVERANCE TAX BONDS FOR STATEWIDE HIGHWAY AND BRIDGE PRESERVATION, REHABILITATION AND RECONSTRUCTION PROJECTS THAT WILL ENHANCE SAFETY AND ECONOMIC DEVELOPMENT; ALLOWING MAXIMUM USE OF FEDERAL HIGHWAY ADMINISTRATION MATCHING FUNDS; MAKING AN APPROPRIATION.

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

SECTION 1. ~~[NEW MATERIAL]~~ SEVERANCE TAX BONDS-- AUTHORIZATION--APPROPRIATION OF PROCEEDS--DISTRICT HIGHWAY PROJECTS.--

A. The state board of finance may issue and sell severance tax bonds in fiscal years 2016 through 2018 in compliance with the Severance Tax Bonding Act in an amount not exceeding a total of one hundred eighty million dollars

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1 (\$180,000,000) when the department of transportation certifies
2 the need for the issuance of the bonds; provided that in each
3 of fiscal years 2016, 2017 and 2018, no more than sixty million
4 dollars (\$60,000,000) in bonds shall be issued.

5 B. The state board of finance shall schedule the
6 issuance and sale of the bonds in the most expeditious and
7 economical manner possible upon a finding by the state board of
8 finance that, based upon a certification from the department of
9 transportation, the proceeds of the bonds are needed and that
10 the projects can proceed to contract within a reasonable time.
11 The state board of finance shall further take the appropriate
12 steps necessary to comply with the federal Internal Revenue
13 Code of 1986, as amended. The state board of finance may issue
14 and sell the bonds in the same manner as other severance tax
15 bonds in an amount not to exceed the authorized amount provided
16 for in this section.

17 C. The proceeds from the sale of the bonds are
18 appropriated to the department of transportation for state
19 highway projects as follows:

20 (1) by August 1, 2015, the department of
21 transportation in consultation with the economic development
22 department shall identify highway and bridge preservation,
23 rehabilitation and reconstruction projects statewide that will
24 also promote safety and local economic development that can be
25 planned and brought to bid in each of fiscal years 2016, 2017

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1 and 2018;

2 (2) the proceeds of the bonds issued in each
3 of fiscal years 2016, 2017 and 2018 shall be used to perform
4 the projects identified in Paragraph (1) of this subsection;
5 and

6 (3) notwithstanding any provision of the
7 Procurement Code to the contrary, the department of
8 transportation in performing the projects may use for any
9 project over twenty-five million dollars (\$25,000,000) any
10 competitive bid project delivery procurement method endorsed,
11 approved or authorized by the federal highway administration
12 for projects receiving federal financial aid that in the
13 department's estimation will provide faster delivery than a
14 traditional design, bid and build procurement method.

15 D. Money from the severance tax bonds provided for
16 in this section shall not be used to pay indirect costs. Any
17 unexpended or unencumbered balance of the proceeds of the bonds
18 remaining at the end of fiscal year 2022 shall revert to the
19 severance tax bonding fund. If the department of
20 transportation has not certified the need for the issuance of
21 the bonds by July 1, 2018, the authorization provided in this
22 section shall expire.