

State of New Mexico
Senate

FIFTY-THIRD LEGISLATURE
FIRST SESSION

January 23, 2017

SENATE FLOOR AMENDMENT number _____ to HOUSE BILL 5, as amended

Amendment sponsored by Senator *Woods*

1. Strike Senate Finance Committee Amendments 3 through 6.
2. On page 1, between lines 23 and 24, insert the following new sections:

"SECTION 1. SHORT-TERM SUPPLEMENTAL SEVERANCE TAX BONDS--
APPROPRIATION OF PROCEEDS.--In fiscal year 2017, the state board of
finance may, in compliance with the Severance Tax Bonding Act, issue
and sell supplemental severance tax bonds whose terms end on or
before the end of the fiscal year in an aggregate amount not to
exceed sixty-three million seven hundred thousand dollars
(\$63,700,000) when the secretary of finance and administration
certifies the need for the bonds. The state board of finance shall
issue and sell the bonds as expeditiously and economically as
possible and take the appropriate steps necessary to comply with the
federal Internal Revenue Code of 1986, as amended. Proceeds from
the sale of the bonds are appropriated to the general fund. The
board of finance division of the department of finance and
administration shall transfer the proceeds to the general fund for
use by the department in fiscal year 2017 to restore the allotments
from the general fund for capital project appropriations whose
expenditure periods end on or before June 30, 2016.

SECTION 2. SEVERANCE TAX BONDS--APPROPRIATION OF PROCEEDS.--In
fiscal year 2017, the state board of finance may, in compliance with
the Severance Tax Bonding Act, issue and sell severance tax bonds in
the amount of sixty-three million seven hundred thousand dollars
(\$63,700,000). Upon certification by the public school capital
outlay council that the need exists for the issuance of the bonds,
the state board of finance shall issue and sell the bonds as

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expeditiously and economically as possible and take the appropriate steps necessary to comply with the federal Internal Revenue Code of 1986, as amended. The proceeds from severance tax bonds issued are appropriated to the public school capital outlay fund for use by the public school capital outlay council to implement the Public School Capital Outlay Act and are appropriated for expenditure in fiscal years 2018 through 2022. Notwithstanding the provisions of Subsection A of Section 22-24-4 NMSA 1978, the unexpended or unencumbered balance remaining at the end of fiscal year 2022 shall revert to the severance tax bonding fund.

SECTION 3. Section 7-27-12 NMSA 1978 (being Laws 1961, Chapter 5, Section 10, as amended by Laws 2001, Chapter 37, Section 1 and by Laws 2001, Chapter 338, Section 1) is amended to read:

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

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

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

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

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D. Proceeds from supplemental severance tax bonds issued pursuant to Paragraph (2) of Subsection A of Section 19 of Chapter 6 of Laws 1999 (1st S.S.) and Section 1 of this 2017 act shall be used for the purposes specified in [~~that paragraph~~] those provisions.

E. Except as provided in Subsection F of this section, the state board of finance shall issue and sell all supplemental severance tax bonds when so instructed by resolution of the public school capital outlay council or upon certification by the secretary of public education pursuant to Section 7-27-12.2 NMSA 1978.

F. The state board of finance shall issue and sell the supplemental severance tax bonds authorized by:

(1) 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 on~~] higher education department; and

(2) Section 1 of this 2017 act upon certification by the secretary of finance and administration of the need to use proceeds from those bonds as outlined in that section."

3. On page 35, line 6, strike "4 and 5" and insert in lieu thereof "5 and 6".

4. On page 35, line 8, strike "6" and insert in lieu thereof "7".

5. On page 36, line 24, strike "9" and insert in lieu thereof "10".

6. On page 37, between lines 19 and 20, insert the following new section:

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department of finance and administration shall revise its 2017 estimate of the amount of bonding capacity available for severance tax bonds authorized by the legislature."

7. Renumber sections to correspond with these amendments.

Adopted _____
(Chief Clerk)

Not Adopted _____
(Chief Clerk)

Date _____