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HOUSE BILL 642

42ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1996

INTRODUCED BY  
G. X. MCSHERRY

AN ACT

RELATING TO CAPITAL EXPENDITURES; AUTHORIZING THE ISSUANCE OF SEVERANCE TAX BONDS FOR CERTAIN CAPITAL PROJECTS IN LUNA COUNTY; MAKING AN APPROPRIATION; DECLARING AN EMERGENCY.

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

Section 1. SEVERANCE TAX BONDS--PURPOSE FOR WHICH ISSUED-- APPROPRIATION OF PROCEEDS.--

A. The state board of finance may issue and sell severance tax bonds in compliance with the Severance Tax Bonding Act in an amount not exceeding eight hundred thirty thousand dollars (\$830,000) when the local government division of the department of finance and administration certifies the need for the issuance of the bonds. The state board of finance shall schedule the issuance and sale of the bonds in the most expeditious and economical manner possible upon a finding by the

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1 board that the project has been developed sufficiently to  
2 justify the issuance and that the project can proceed to  
3 contract within a reasonable time. The state board of finance  
4 shall further take the appropriate steps necessary to comply  
5 with the Internal Revenue Code of 1986, as amended. The  
6 proceeds from the sale of the bonds are appropriated to the  
7 local government division of the department of finance and  
8 administration in the following amounts for the following  
9 purposes:

10 (1) six hundred fifty thousand dollars  
11 (\$650,000) to plan, design, construct and equip a multipurpose  
12 juvenile facility in Luna county; and

13 (2) one hundred eighty thousand dollars  
14 (\$180,000) to purchase firefighting equipment for the Luna  
15 county volunteer fire department.

16 B. If the local government division of the  
17 department of finance and administration has not certified the  
18 need for the issuance of the bonds by the end of fiscal year  
19 1998, the authorization provided in this section shall be void.  
20 Any unexpended or unencumbered balance remaining from the  
21 proceeds of severance tax bonds issued pursuant to Subsection A  
22 of this section at the end of fiscal year 1999 shall revert to  
23 the severance tax bonding fund.

24 Section 2. EMERGENCY. --It is necessary for the public  
25 peace, health and safety that this act take effect immediately.