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HOUSE BILL 792

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

INTRODUCED BY
DAVID M PARSONS

AN ACT

RELATING TO INFORMATION AND COMMUNICATIONS SYSTEMS; CREATING AND PROVIDING FOR CERTAIN FUNDS; PROVIDING FOR REVENUE BONDS; MAKING APPROPRIATIONS.

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

Section 1. A new Section 15-10-14 NMSA 1978 is enacted to read:

"15-10-14. [NEW MATERIAL] INFORMATION SYSTEMS REVENUE BOND FUND--CREATED--DISBURSEMENT.--

A. There is created in the state treasury the "information systems revenue bond fund". All income from investment of the fund shall be credited to the fund. Balances remaining in the fund at the end of any fiscal year shall not revert to the general fund but shall be transferred as provided in Subsection B of this section.

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1 B. The fund shall be used to pay revenue bond issues
2 authorized pursuant to Section 15-10-17 NMSA 1978. The fund
3 shall account for debt, deposits, disbursements and balances
4 relating to data processing separately from debt, deposits,
5 disbursements and balances relating to ~~communications~~. Money
6 deposited from each source shall be used for payment of all
7 principal and interest due on outstanding revenue bonds relating
8 to that source during each fiscal year. The balances remaining
9 from each source at the end of any fiscal year shall be
10 deposited into the data processing equipment revolving fund and
11 the ~~communications~~ equipment revolving fund, respectively.

12 C. Distributions from the fund shall be made monthly
13 for the purpose of paying principal, interest, premium, expenses
14 and obligations related to revenue bond issues authorized
15 pursuant to Section 15-10-17 NMSA 1978. "

16 Section 2. Section 15-5-4 NMSA 1978 (being Laws 1963,
17 Chapter 181, Section 4, as amended) is recompiled as Section
18 15-10-15 NMSA 1978 and is amended to read:

19 "15-10-15. ~~[DEPOSIT]~~ COLLECTION OF MONEY. -- The
20 ~~[telecommunications bureau of the communications]~~ information
21 systems division of the general services department shall order
22 the deposit or transfer monthly to ~~[a fund known as the "central~~
23 ~~telephone services fund"]~~ the information systems division
24 operating fund the amount of money owed by ~~[each department,~~
25 ~~institution and agency utilizing the central telephone system~~

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1 ~~State institutions and agencies]~~ the state and each agency,
2 institution, instrumentality, officer, board or commission of
3 the state, including the legislative and judicial branches, and
4 each county or municipality using the division's services.
5 Users of the division's services shall adopt such accounting
6 procedures as are prescribed by the department of finance and
7 administration for the handling of payments [~~with reference to~~
8 ~~the central telephone system]~~ to the division. Accounting
9 procedures shall identify sources of revenue used to pay for the
10 division's services. "

11 Section 3. Section 15-1-12 NMSA 1978 (being Laws 1986,
12 Chapter 81, Section 12, as amended) is recompiled as Section
13 15-10-16 NMSA 1978 and is amended to read:

14 "15-10-16. DEPRECIATION AND REPLACEMENT FEES--ASSESSMENT--
15 COLLECTION--CREDITING TO FUNDS.--

16 A. [~~Each officer, agency, department, division,~~
17 ~~board or commission of the state]~~ The state and any agency,
18 institution, instrumentality, officer, board or commission of
19 the state, including the legislative and judicial branches and
20 any county or municipality, that uses [state] information
21 systems division data processing equipment or [state]
22 communications equipment shall pay monthly depreciation and
23 replacement fees, assessed through the information systems
24 division rate structure, to the information systems division of
25 the general services department for such equipment. Such fees

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1 shall be deposited in the information systems division operating
2 fund.

3 B. Depreciation and replacement fees shall be set by
4 the director of the information systems division and shall be
5 based upon the costs of acquisition, depreciation and
6 replacement of the equipment and the related services supplied
7 to such officers and agencies by the information systems
8 division.

9 C. ~~[Except as provided in Subsection D of this~~
10 ~~section]~~ Money in the information systems division operating
11 fund that is attributable to depreciation and replacement fees
12 and that is derived from general fund appropriations or general
13 ad valorem tax revenues shall be deposited ~~[quarterly]~~ monthly
14 into the data processing equipment revolving fund and the
15 communications equipment revolving fund, respectively. Money in
16 the funds shall be disbursed pursuant to Sections ~~[15-1-10 and~~
17 ~~15-1-11]~~ 15-10-12 and 15-10-13 NMSA 1978.

18 D. ~~[For the period beginning July 1, 1988 and ending~~
19 ~~June 30, 1990, depreciation and replacement fees attributable to~~
20 ~~data processing equipment may be retained in the information~~
21 ~~systems division operating fund and may be appropriated by the~~
22 ~~legislature for operation of the information systems division.~~
23 ~~Any unencumbered balance in excess of seven hundred thousand~~
24 ~~dollars (\$700,000) in the information systems division operating~~
25 ~~fund as of June 30, 1990 shall be transferred to the data~~

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1 ~~processing equipment revolving fund.]~~ Money in the information
2 systems division operating fund attributable to depreciation and
3 replacement fees and that is derived from money received from
4 sources other than general fund appropriations or general ad
5 valorem property tax revenues shall be deposited monthly into
6 the information systems revenue bond fund. So long as revenue
7 bonds issued by the New Mexico finance authority pursuant to the
8 Information and Communications Systems Act are outstanding, the
9 amount deposited monthly into the information systems revenue
10 bond fund shall equal not less than two hundred percent of the
11 monthly obligations related to such bonds as described in
12 Subsection D of Section 15-10-17 NMSA 1978. If there is no
13 outstanding debt for data processing or communications
14 equipment, depreciation and replacement fees shall be deposited
15 directly into the respective equipment revolving fund. Money in
16 the information systems revenue bond fund shall be disbursed
17 pursuant to Section 15-10-14 NMSA 1978. "

18 Section 4. A new Section 15-10-17 NMSA 1978 is enacted to
19 read:

20 "15-10-17. [NEW MATERIAL] NEW MEXICO FINANCE AUTHORITY
21 REVENUE BONDS--PURPOSE-- APPROPRIATION. --

22 A. The New Mexico finance authority may issue and
23 sell revenue bonds in compliance with the New Mexico Finance
24 Authority Act for the purposes of refinancing, designing,
25 developing, acquiring, improving, purchasing and implementing

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1 data processing equipment and communications equipment, or any
2 combination of these, for the information systems division of
3 the general services department and paying expenses connected
4 with the sale and issuance of the bonds.

5 B. The New Mexico finance authority may issue and
6 sell revenue bonds authorized by this section when the secretary
7 of general services certifies the need for issuance of the
8 bonds. The proceeds from the sale of the bonds are appropriated
9 to the information systems division for the purposes enumerated
10 in Subsection A of this section.

11 C. Money deposited in the information systems
12 revenue bond fund pursuant to Section 15-10-14 NMSA 1978 is
13 appropriated to the New Mexico finance authority to be pledged
14 irrevocably for the payment of the principal, interest, premium,
15 expenses and obligations related to the bonds authorized by
16 Subsection A of this section.

17 D. Money from the information systems revenue bond
18 fund distributed monthly to the New Mexico finance authority
19 shall be deposited in a segregated bond fund or account of the
20 authority. At the end of each month, any money remaining in the
21 special bond fund or account from distributions made to the
22 authority during such month, after all debt service
23 accumulations, expenses or obligations required by the
24 resolution authorizing issuance of the bonds to be made during
25 such month and any deficiencies from prior months are fully

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1 satisfied or paid, shall be transferred by the authority to the
2 information systems division operating fund. Upon payment of
3 all principal, interest, premium, expenses or obligations
4 related to the bonds, the New Mexico finance authority shall
5 certify to the general services department that all obligations
6 for the bonds issued pursuant to this section have been fully
7 discharged and direct the department to cease distributing money
8 to the authority pursuant to Section 15-10-14 NMSA 1978.

9 E. The legislature shall not repeal, amend or
10 otherwise modify any law that affects or impairs the collection
11 of depreciation and replacement fees by the general services
12 department, the distribution of money to the New Mexico finance
13 authority or any revenue bonds of the New Mexico finance
14 authority secured by a pledge of money collected by the general
15 services department and distributed to the authority pursuant to
16 Section 15-10-14 NMSA 1978. "

**State of New Mexico
House of Representatives**

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SECOND SESSION, 1996

February 13, 1996

Mr. Speaker:

Your TAXATION AND REVENUE COMMITTEE, to whom has
been referred

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has had it under consideration and reports same with
recommendation that it DO PASS, amended as follows:

1. On page 1, between lines 15 and 16, insert the following
new section to read:

"Section 1. A new Section 15-10-11 NMSA 1978 is enacted to
read:

"15-10-11. [NEW MATERIAL] OPERATING FUND CREATED--
EXPENDITURES-- TRANSFERS. --

A. There is created in the state treasury the
"information systems division operating fund". All income from

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2 investment of the fund shall be credited to the fund. Balances
3 remaining in the fund at the end of any fiscal year shall not
4 revert to the general fund.

5 B. Expenditures from the fund shall be made only upon
6 vouchers approved by the director of the information systems
7 division of the general services department. "

8
9 Section 2. Section 15-1-10 NMSA 1978 (being Laws 1986,
10 Chapter 81, Section 10, as amended) is recompiled as Section 15-
11 10-12 NMSA 1978 and is amended to read:

12 "15-10-12. DATA PROCESSING EQUIPMENT REVOLVING FUND CREATED-
13 -DISBURSEMENT. --

14
15 A. There is created in the state treasury the "data
16 processing equipment revolving fund". ~~[The]~~ All income from
17 investment of the fund shall be credited to the fund. Balances
18 remaining in the fund at the end of any fiscal year shall not
19 revert to the general fund.

20 B. Expenditures from the data processing equipment
21 revolving fund shall be made for the purpose of acquiring and
22 replacing data processing equipment. Such expenditures shall be
23 made only upon vouchers approved by the director of the
24 information systems division of the general services department
25 and shall be disbursed pursuant to a ~~[five]~~ three-year plan
prepared by the division and ~~[approved by the commission and~~

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2 ~~presented~~ submitted annually to the department of finance and
3 administration and the ~~[legislature]~~ legislative finance
4 committee.

5 C. When changes in the ~~[five]~~ three-year plan are
6 necessary, justification for such changes shall be ~~[presented to~~
7 ~~the commission for approval, with copies]~~ submitted to the
8 department of finance and administration and the legislative
9 finance committee. "

10
11 Section 3. Section 15-1-11 NMSA 1978 (being Laws 1986,
12 Chapter 81, Section 11, as amended) is recompiled as Section 15-
13 10-13 NMSA 1978 and is amended to read:

14 "15-10-13. COMMUNICATIONS EQUIPMENT REVOLVING FUND CREATED--
15 DISBURSEMENT. --

16
17 A. There is created in the state treasury the
18 "communications equipment revolving fund". ~~[The]~~ All income from
19 investment of the fund shall be credited to the fund. Balances
20 remaining in the fund at the end of any fiscal year shall not
21 revert to the general fund.

22 B. Expenditures from the communications equipment
23 revolving fund shall be made for the purpose of acquiring and
24 replacing communications equipment. Such expenditures shall be
25 made only upon vouchers approved by the director of the
information systems division of the general services department

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2 and shall be disbursed pursuant to a [~~five~~] three-year plan
3 prepared by the division and [~~approved by the commission and~~
4 ~~presented~~] submitted annually to the department of finance and
5 administration and the [~~legislature~~] legislative finance
6 committee.

7 C. When changes in the [~~five~~] three-year plan are
8 necessary, justification for such changes shall be [~~presented to~~
9 ~~the commission for approval, with copies~~] submitted to the
10 department of finance and administration and the legislative
11 finance committee. "".

12 2. Renumber the succeeding sections accordingly.

13 3. On page 5, line 3, strike "that is".

14 4. On page 5, lines 7 and 8, strike "the Information and
15 Communications Systems Act" and insert in lieu thereof "Section
16 15-10-17 NMSA 1978".,

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21 and thence referred to the APPROPRIATIONS AND FINANCE
22 COMMI TTEE.
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Respectfully submitted,

Jerry W. Sandel, Chairman

Adopted _____ Not Adopted _____

(Chief Clerk) (Chief Clerk)

Date _____

The roll call vote was 11 For 0 Against

Yes: 11
Excused: Lovejoy, Sandel
Absent: None

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