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HOUSE BILL 179

43RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1998

INTRODUCED BY

RON GENTRY

AN ACT

RELATING TO FINANCING OF HIGHWAY PROJECTS; INCREASING THE BONDING AUTHORITY OF THE STATE HIGHWAY COMMISSION FOR CERTAIN HIGHWAY PROJECTS; CHANGING THE DISTRIBUTION OF MOTOR VEHICLE EXCISE TAX REVENUES; CREATING THE LOCAL ROAD PROJECTS FUND; LIMITING THE USE OF STATE ROAD FUND REVENUES; AMENDING AND ENACTING SECTIONS OF THE NMSA 1978; MAKING AN APPROPRIATION.

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

Section 1. [NEW MATERIAL] LEGISLATIVE FINDINGS--

PURPOSE. --

A. The legislature finds that there is high unemployment and a lack of jobs in many areas of the state. Further, the current effort by the federal government and the state to reduce the number of individuals in need of welfare makes it imperative to create not only more jobs, but good

Underscored material = new
[bracketed material] = delete

1 jobs. Finally, the legislature finds that highway
2 construction projects can provide those jobs in many areas of
3 the state and at the same time make urgently needed road
4 improvements that will enhance and support economic
5 development efforts and purposes.

6 B. It is the purpose of this act to raise revenues
7 for the most urgent highway projects throughout the state, to
8 provide good jobs for New Mexicans in many areas of the state,
9 to ensure the use of road revenues for highway projects and to
10 enhance and meet economic development purposes and needs
11 throughout the state.

12 Section 2. A new section of Chapter 67, Article 3 NMSA
13 1978 is enacted to read:

14 "[NEW MATERIAL] LOCAL ROAD PROJECTS FUND CREATED--
15 PURPOSE. --The "local road projects fund" is created in the
16 state treasury and shall be administered by the state highway
17 and transportation department. The fund shall consist of
18 motor vehicle excise tax revenues distributed to the fund and
19 any other money deposited in or transferred, distributed or
20 otherwise appropriated to the fund. Money in the fund may be
21 appropriated by the legislature for local municipal and county
22 road projects. Balances in the fund at the end of any fiscal
23 year shall remain in the fund and be available for
24 appropriation for local road projects in subsequent fiscal
25 years. "

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Underscored material = new
[bracketed material] = delete

1 Section 3. Section 7-14-10 NMSA 1978 (being Laws 1988,
2 Chapter 73, Section 20, as amended) is amended to read:

3 "7-14-10. DISTRIBUTION OF PROCEEDS. --The receipts from
4 the tax and any associated interest and penalties shall be
5 deposited in the "motor vehicle suspense fund", hereby created
6 in the state treasury. As of the end of each month, the net
7 receipts attributable to the tax and associated penalties and
8 interest shall be distributed [~~to the general fund~~] as
9 follows:

10 A. prior to July 1, 1999, to the general fund;

11 B. from July 1, 1999 through June 30, 2000, eight
12 hundred thirty-three thousand four hundred dollars (\$833,400)
13 to the local road projects fund and of the remainder, two-
14 thirds to the general fund and one-third to the state road
15 fund;

16 C. from July 1, 2000 through June 30, 2001, eight
17 hundred thirty-three thousand four hundred dollars (\$833,400)
18 to the local road projects fund and of the remainder, one-
19 third to the general fund and two-thirds to the state road
20 fund; and

21 D. after June 30, 2001, eight hundred thirty-three
22 thousand four hundred dollars (\$833,400) to the local road
23 projects fund and the remainder to the state road fund."

24 Section 4. Section 67-3-59.1 NMSA 1978 (being Laws 1989,
25 Chapter 157, Section 1, as amended) is amended to read:

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Underscored material = new
[bracketed material] = delete

1 "67-3-59. 1. STATE HIGHWAY DEBENTURES--ISSUANCE--LIMITS--
2 APPROVAL--COUPONS.--

3 A. In order to provide funds to finance state
4 highway projects, including state highway projects that are
5 required for the waste isolation pilot project and are
6 eligible for federal reimbursement or payment as authorized by
7 federal legislation, the state highway commission is
8 authorized to issue bonds from time to time, payable from:

9 (1) federal funds not otherwise obligated
10 that are paid into the state road fund;

11 (2) contributions of a county or
12 municipality, if any, to the expense of a project as
13 determined by a cooperative agreement made pursuant to Section
14 67-3-28 NMSA 1978 and deposited in the state road fund; and

15 (3) the proceeds of the collection of
16 [~~gasoline excise~~] taxes and [~~motor vehicle registration~~] fees
17 that are required by law to be paid into the state road fund
18 and not otherwise pledged solely to the payment of outstanding
19 bonds and debentures.

20 B. The total aggregate outstanding principal
21 amount of bonds issued from time to time pursuant to this
22 section, secured by or payable from [~~the gasoline excise taxes~~
23 ~~and motor vehicle registration fees~~] federal funds not
24 otherwise obligated that are paid into the state road fund,
25 county or municipal contributions deposited in the state road

Underscored material = new
[bracketed material] = delete

1 fund pursuant to a cooperative agreement and the proceeds from
2 the collection of taxes and fees required by law to be paid
3 into the state road fund shall not, without additional
4 authorization of the state legislature, exceed [~~one hundred~~
5 ~~fifty million dollars (\$150,000,000)~~] at any given time,
6 subject to the [~~following~~] provisions of Subsection C of this
7 section, the following amounts:

8 (1) prior to July 1, 1998, one hundred fifty
9 million dollars (\$150,000,000);

10 (2) from July 1, 1998 through June 30, 1999,
11 five hundred million dollars (\$500,000,000); and

12 (3) after June 30, 1999, one billion one
13 hundred million dollars (\$1,100,000,000).

14 C. The total aggregate outstanding principal
15 amount of bonds authorized pursuant to Subsection B of this
16 section shall be subject to the following provisions:

17 (1) the total aggregate outstanding principal
18 amount of bonds issued for state highway projects that are
19 required for the waste isolation pilot project and are
20 eligible for federal reimbursement or payment as authorized by
21 federal legislation shall not exceed [~~one hundred million~~
22 ~~dollars (\$100,000,000); and] two hundred million dollars~~

23 (\$200,000,000);
24 (2) the total aggregate outstanding principal
25 amount of bonds issued for state highway projects other than

Underscored material = new
[bracketed material] = delete

1 state highway projects that are required for the waste
2 isolation pilot project and are eligible for federal
3 reimbursement or payment as authorized by federal legislation
4 shall not exceed:

5 (a) prior to July 1, 1998, fifty million
6 dollars (\$50,000,000);

7 (b) from July 1, 1998 through June 30, 1999,
8 three hundred million dollars (\$300,000,000); and

9 (c) after June 30, 1999, nine hundred million
10 dollars (\$900,000,000); and

11 (3) the proceeds from the sale of the bonds after
12 July 1, 1998 pursuant to Subparagraphs (b) and (c) of
13 Paragraph (2) of this subsection shall be used for planning,
14 designing, engineering and constructing and for acquiring
15 rights of way for the following projects:

16 (a) four-lane construction of U. S. highway
17 70;

18 (b) four-lane construction of U. S. highway
19 550 from Aztec to Colorado;

20 (c) four-lane construction of U. S. highway
21 285 from Clines Corners to Carlsbad;

22 (d) construction of a new east-west
23 connecting route from state road 47 to interstate 25 south of
24 Los Lunas;

25 (e) construction of the Silver City relief

Underscored material = new
[bracketed material] = delete

1 route;

2 (f) construction of the Alamogordo relief

3 route;

4 (g) construction of the Albuquerque northwest

5 relief route;

6 (h) improvement of U. S. highway 54;

7 (i) improvement of U. S. highway 666;

8 (j) improvement of U. S. highway 84 from

9 Espanola through Hernandez;

10 (k) four-lane construction of U. S. highway

11 285 from interstate 25 to Lamy;

12 (l) four-lane construction of Sunland Park

13 extension;

14 (m) construction of the Taos relief route;

15 (n) improvement of N. M highway 128 from the

16 Texas state line to Carlsbad;

17 (o) construction of the Albuquerque southwest

18 relief route;

19 (p) improvement of U. S. highway 180 from

20 Silver City to Deming; and

21 (q) four-lane construction of U. S. highway

22 62/180 from Carlsbad to White City.

23 [E.] D. The state highway commission may issue
24 bonds to refund other bonds issued pursuant to this section by
25 exchange or current or advance refunding.

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Underscored material = new
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1 ~~[D.]~~ E. Each series of bonds shall have a maturity
2 of no more than twenty-five years from the date of issuance;
3 provided that bonds issued after July 1, 1998 pursuant to
4 Subparagraphs (b) and (c) of Paragraph (2) of Subsection C of
5 this section shall have a maturity of no more than ten years
6 from the date of issuance. The state highway commission shall
7 determine all other terms, covenants and conditions of the
8 bonds; provided that the bonds shall not be issued pursuant to
9 this section unless the state board of finance approves the
10 issuance of the bonds and the principal amount of and interest
11 rate or ~~maximum~~ net effective interest rate on the bonds.

12 ~~[E.]~~ F. The bonds shall be executed with the
13 manual or facsimile signatures of the chairman of the state
14 highway commission, countersigned by the state treasurer and
15 attested to by the secretary of the state highway commission,
16 with the seal of the state highway commission imprinted or
17 otherwise affixed to the bonds.

18 ~~[F.]~~ G. Proceeds of the bonds may be used to pay
19 expenses incurred in the preparation, issuance and sale of the
20 bonds and, together with the earnings on the proceeds of the
21 bonds, may be used to pay rebate, penalty, interest and other
22 obligations relating to the bonds and the proceeds of the
23 bonds under the Internal Revenue Code of 1986, as amended.

24 ~~[G.]~~ H. The bonds may be sold at public or private
25 sale or through the New Mexico finance authority. If sold at

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1 public sale, a notice of the time and place of sale shall be
2 published in a newspaper of general circulation in the state,
3 and in any other newspaper determined in the resolution
4 authorizing the issuance of the bonds, once each week for two
5 consecutive weeks prior to the date of sale. The bonds may be
6 purchased by the state treasurer or state investment officer.

7 ~~[H.]~~ I. This section is full authority for the
8 issuance and sale of the bonds, and the bonds shall not be
9 invalid for any irregularity or defect in the proceedings for
10 their issuance and sale and shall be incontestable in the
11 hands of bona fide purchasers or holders of the bond for
12 value.

13 ~~[I.]~~ J. The bonds shall be legal investments for
14 any person or board charged with the investment of public
15 funds and may be accepted as security for any deposit of
16 public money and, with the interest thereon, are exempt from
17 taxation by the state and any political subdivision or agency
18 of the state.

19 K. Any law authorizing the imposition or
20 distribution of taxes or fees paid into the state road fund or
21 that affects those taxes and fees shall not be amended or
22 repealed or otherwise directly or indirectly modified so as to
23 impair any outstanding bonds secured by a pledge of revenues
24 from those taxes and fees paid into the state road fund,
25 unless the bonds have been discharged in full or provisions

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Underscored material = new
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1 have been made for a full discharge. In addition, while any
2 bonds issued by the state highway commission pursuant to the
3 provisions of this section remain outstanding, the powers or
4 duties of the commission shall not be diminished or impaired
5 in any manner that will affect adversely the interests and
6 rights of the holder of such bonds.

7 L. Bonds issued pursuant to this section shall be
8 paid solely from federal funds not otherwise obligated, taxes
9 and fees and county and municipal contributions deposited into
10 the state road fund and shall not constitute a general
11 obligation of the state."

12 Section 5. Section 67-3-65 NMSA 1978 (being Laws 1973,
13 Chapter 145, Section 1, as amended) is amended to read:

14 "67-3-65. STATE ROAD FUND CREATED. --

15 A. The "state road fund" is created within the
16 state treasury to which shall be credited all receipts
17 authorized by law to be paid into it. No income earned on the
18 fund shall be transferred to another fund. For fiscal year
19 2000 and subsequent fiscal years, money in the state road fund
20 after payment of the administrative fee pursuant to Subsection
21 B of this section shall be used solely for highway and
22 transportation programs and purposes administered by the state
23 highway and transportation department.

24 B. For July 1999 and subsequent months, to defray
25 the costs of administering the collection of taxes and fees

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1 that constitute the state road fund, an administrative fee of
2 three percent is imposed on revenues deposited in the state
3 road fund. The administrative fee shall be imposed on all
4 revenues deposited each month in the state road fund other
5 than federal funds, bond proceeds and county and municipal
6 contributions pursuant to a cooperative agreement. The
7 department shall transmit the fee to the state treasurer for
8 deposit in the general fund no later than the tenth day of the
9 month following the month for which the fee was calculated. "

10 Section 6. EFFECTIVE DATE. --The effective date of the
11 provisions of this act is July 1, 1998.

1 FORTY-THIRD LEGISLATURE

2 SECOND SESSION, 1998

3
4
5
6 February 12, 1998

7
8 Mr. Speaker:

9
10 Your TRANSPORTATION COMMITTEE, to whom has been
11 referred

12
13 HOUSE BILLS 179, 147, 286, and 344

14
15 has had it under consideration and reports same with
16 recommendation that they DO NOT PASS, but that

17 HOUSE TRANSPORTATION COMMITTEE SUBSTITUTE FOR HOUSE
18 BILLS 179, 147, 286, and 344

19
20 DO PASS and thence referred to the TAXATION AND REVENUE
21 COMMITTEE.

FORTY-THIRD LEGISLATURE
SECOND SESSION, 1998

HTC/SB 308

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Respectfully submitted,

Daniel P. Silva, Chairman

Adopted _____

(Chief Clerk)

Not Adopted _____

(Chief Clerk)

Date _____

The roll call vote was 11 For 0 Against

Yes: 11

Excused: None

Absent: Russell

G:\BILLTEXT\BILLW_98\H0179

HOUSE TRANSPORTATION COMMITTEE SUBSTITUTE FOR
HOUSE BILLS 179, 147, 286 and 344

43RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1998

AN ACT

RELATING TO FINANCING OF HIGHWAY PROJECTS; INCREASING THE
BONDING AUTHORITY OF THE STATE HIGHWAY COMMISSION FOR CERTAIN
HIGHWAY PROJECTS; CHANGING THE DISTRIBUTION OF MOTOR VEHICLE
EXCISE TAX REVENUES; CREATING THE LOCAL ROAD PROJECTS FUND;
LIMITING THE USE OF STATE ROAD FUND REVENUES; AMENDING AND
ENACTING SECTIONS OF THE NMSA 1978; MAKING AN APPROPRIATION.

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

Section 1. [NEW MATERIAL] LEGISLATIVE FINDINGS--
PURPOSE. --

A. The legislature finds that there is high unemployment and a lack of jobs in many areas of the state. Further, the current effort by the federal government and the state to reduce the number of individuals in need of welfare makes it imperative to create not only more jobs, but good jobs. Finally, the legislature finds that highway construction projects can provide those jobs in many areas of the state and at the same time make urgently needed road

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Underscored material = new
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improvements that will enhance and support economic development efforts and purposes.

B. It is the purpose of this act to raise revenues for the most urgent highway projects throughout the state, to provide good jobs for New Mexicans in many areas of the state, to ensure the use of road revenues for highway projects and to enhance and meet economic development purposes and needs throughout the state.

Section 2. A new section of Chapter 67, Article 3 NMSA 1978 is enacted to read:

"[NEW MATERIAL] LOCAL ROAD PROJECTS FUND CREATED-- PURPOSE. --The "local road projects fund" is created in the state treasury and shall be administered by the state highway and transportation department. The fund shall consist of motor vehicle excise tax revenues distributed to the fund and any other money deposited in or transferred, distributed or otherwise appropriated to the fund. Money in the fund may be appropriated by the legislature for local municipal and county road projects. Balances in the fund at the end of any fiscal year shall remain in the fund and be available for appropriation for local road projects in subsequent fiscal years."

Section 3. Section 7-14-10 NMSA 1978 (being Laws 1988, Chapter 73, Section 20, as amended) is amended to read:

"7-14-10. DISTRIBUTION OF PROCEEDS. --The receipts from the tax and any associated interest and penalties shall be deposited in the "motor vehicle suspense fund", hereby created in the state treasury. As of the end of each month, the net receipts attributable to the tax and associated penalties and interest shall be distributed [~~to the general fund~~] as follows:

A. prior to July 1, 1999, to the general fund;

HTC/HB 179, et al.

1 B. from July 1, 1999 through June 30, 2000, two
2 hundred thousand dollars (\$200,000) to the local road projects
3 fund and of the remainder, five-sixths to the general fund and
4 one-sixth to the state road fund;

5 C. from July 1, 2000 through June 30, 2001, three
6 hundred fifty thousand dollars (\$350,000) to the local road
7 projects fund and of the remainder, two-thirds to the general
8 fund and one-third to the state road fund;

9 D. from July 1, 2001 through June 30, 2002, five
10 hundred thousand dollars (\$500,000) to the local road projects
11 fund and of the remainder, one-half to the general fund and one-
12 half to the state road fund;

13 E. from July 1, 2002 through June 30, 2004, six
14 hundred fifty thousand dollars (\$650,000) to the local road
15 projects fund and of the remainder, one-third to the general fund
16 and two-thirds to the state road fund;

17 F. from July 1, 2004 through June 30, 2005, seven
18 hundred fifty thousand dollars (\$750,000) to the local road
19 projects fund and of the remainder, one-sixth to the general fund
20 and five-sixths to the state road fund; and

21 G. after June 30, 2005, eight hundred thirty-three
22 thousand four hundred dollars (\$833,400) to the local road
23 projects fund and the remainder to the state road fund."

24 Section 4. Section 67-3-59.1 NMSA 1978 (being Laws 1989,
25 Chapter 157, Section 1, as amended) is amended to read:

 "67-3-59.1. STATE HIGHWAY DEBENTURES--ISSUANCE--LIMITS--
APPROVAL--COUPONS.--

 A. In order to provide funds to finance state highway

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1 projects, including state highway projects that are required for
2 the waste isolation pilot project and are eligible for federal
3 reimbursement or payment as authorized by federal legislation,
4 the state highway commission is authorized to issue bonds from
5 time to time, payable from:

6 (1) federal funds not otherwise obligated that
7 are paid into the state road fund;

8 (2) contributions of a county or municipality,
9 if any, to the expense of a project as determined by a
10 cooperative agreement made pursuant to Section 67-3-28 NMSA 1978
11 and deposited in the state road fund; and

12 (3) the proceeds of the collection of [gasoline
13 excise] taxes and [motor vehicle registration] fees that are
14 required by law to be paid into the state road fund and not
15 otherwise pledged solely to the payment of outstanding bonds and
16 debentures.

17 B. The total aggregate outstanding principal amount
18 of bonds issued from time to time pursuant to this section,
19 secured by or payable from [~~the gasoline excise taxes and motor~~
20 ~~vehicle registration fees~~] federal funds not otherwise obligated
21 that are paid into the state road fund, county or municipal
22 contributions deposited in the state road fund pursuant to a
23 cooperative agreement and the proceeds from the collection of
24 taxes and fees required by law to be paid into the state road
25 fund shall not, without additional authorization of the state
legislature, exceed [~~one hundred fifty million dollars~~
(~~\$150,000,000~~)] at any given time, subject to the [~~following~~]
provisions of Subsection C of this section, the following

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1 amounts:

2 (1) prior to July 1, 1998, one hundred fifty
3 million dollars (\$150,000,000);

4 (2) from July 1, 1998 through June 30, 1999,
5 five hundred million dollars (\$500,000,000); and

6 (3) after June 30, 1999, one billion three
7 hundred million dollars (\$1,300,000,000).

8 C. The total aggregate outstanding principal amount
9 of bonds authorized pursuant to Subsection B of this section
10 shall be subject to the following provisions:

11 (1) the total aggregate outstanding principal
12 amount of bonds issued for state highway projects that are
13 required for the waste isolation pilot project and are eligible
14 for federal reimbursement or payment as authorized by federal
15 legislation shall not exceed [~~one hundred million dollars~~
16 ~~(\$100,000,000); and~~] two hundred million dollars (\$200,000,000);

17 (2) the total aggregate outstanding principal
18 amount of bonds issued for state highway projects other than
19 state highway projects that are required for the waste isolation
20 pilot project and are eligible for federal reimbursement or
21 payment as authorized by federal legislation shall not exceed:

22 (a) prior to July 1, 1998, fifty million
23 dollars (\$50,000,000);

24 (b) from July 1, 1998 through June 30,
25 1999, three hundred million dollars (\$300,000,000); and

(c) after June 30, 1999, one billion one
hundred million dollars (\$1,100,000,000); and

(3) the proceeds from the sale of the bonds

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1 after July 1, 1998 using the additional authority added in
2 Subparagraphs (b) and (c) of Paragraph (2) of this subsection
3 shall be used for planning, designing, engineering and
4 constructing and for acquiring rights of way for the following
5 projects:

6 (a) the four-lane construction and
7 improvement of state highway 44 from Bernalillo to Bloomfield;

8 (b) the reconstruction of the interstate
9 40 and interstate 25 interchange in Albuquerque;

10 (c) the limited-access construction and
11 necessary interchanges for United States highway 70 from Las
12 Cruces east to White Sands Missile Range road;

13 (d) construction of United States highway
14 84/285 from Santa Fe to Pojoaque;

15 (e) construction of the Santa Fe relief
16 route and required interchanges;

17 (f) four-lane construction of United
18 States highway 70;

19 (g) four-lane construction of United
20 States highway 550 from Aztec to Colorado;

21 (h) four-lane construction of United
22 States highway 285 from Clines Corners to Carlsbad;

23 (i) construction of a new east-west
24 connecting route from state road 47 to interstate 25 south of Los
25 Lunas;

(j) construction of the Silver City relief
route;

(k) construction of the Alamogordo relief

HTC/HB 179, et al.

1 route;

2 (l) construction of the Albuquerque
3 northwest relief route;

4 (m) improvement of United States highway
5 54;

6 (n) improvement of United States highway
7 666;

8 (o) improvement of United States highway
9 84 from Espanola through Hernandez;

10 (p) four-lane construction of United
11 States highway 285 from interstate 25 to Lamy;

12 (q) four-lane construction of Sunland Park
13 extension;

14 (r) construction of the Taos relief route;

15 (s) improvement of state highway 128 from
16 the Texas state line to Carlsbad;

17 (t) construction of the Albuquerque
18 southwest relief route;

19 (u) improvement of United States highway
20 180 from Silver City to Deming;

21 (v) four-lane construction of United
22 States highway 62/180 from Carlsbad to Whites City; and

23 (w) improvement of state highway 18
24 between Eunice and Jal.

25 [C-] D. The state highway commission may issue bonds
to refund other bonds issued pursuant to this section by exchange
or current or advance refunding.

[D-] E. Each series of bonds shall have a maturity of

1 no more than twenty-five years from the date of issuance;
 2 provided that bonds issued after July 1, 1998 pursuant to
 3 Subparagraphs (b) and (c) of Paragraph (2) of Subsection C of
 4 this section shall have a maturity of no more than ten years from
 5 the date of issuance. The state highway commission shall
 6 determine all other terms, covenants and conditions of the bonds;
 7 provided that the bonds shall not be issued pursuant to this
 8 section unless the state board of finance approves the issuance
 9 of the bonds and the principal amount of and interest rate or
 maximum net effective interest rate on the bonds.

10 [E-] F. The bonds shall be executed with the manual
 11 or facsimile [~~signatures~~] signature of the chairman of the state
 12 highway commission, countersigned by the state treasurer and
 13 attested to by the secretary of the state highway commission,
 14 with the seal of the state highway commission imprinted or
 otherwise affixed to the bonds.

15 [F-] G. Proceeds of the bonds may be used to pay
 16 expenses incurred in the preparation, issuance and sale of the
 17 bonds and, together with the earnings on the proceeds of the
 18 bonds, may be used to pay rebate, penalty, interest and other
 19 obligations relating to the bonds and the proceeds of the bonds
 under the Internal Revenue Code of 1986, as amended.

20 [G-] H. The bonds may be sold at public or private
 21 sale or through the New Mexico finance authority. If sold at
 22 public sale, a notice of the time and place of sale shall be
 23 published in a newspaper of general circulation in the state, and
 24 in any other newspaper determined in the resolution authorizing
 25 the issuance of the bonds, once each week for two consecutive

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1 weeks prior to the date of sale. The bonds may be purchased by
2 the state treasurer or state investment officer.

3 ~~[H.]~~ I. This section is full authority for the
4 issuance and sale of the bonds, and the bonds shall not be
5 invalid for any irregularity or defect in the proceedings for
6 their issuance and sale and shall be incontestable in the hands
7 of bona fide purchasers or holders of the bond for value.

8 ~~[I.]~~ J. The bonds shall be legal investments for any
9 person or board charged with the investment of public funds and
10 may be accepted as security for any deposit of public money and,
11 with the interest thereon, are exempt from taxation by the state
12 and any political subdivision or agency of the state.

13 K. Any law authorizing the imposition or distribution
14 of taxes or fees paid into the state road fund or that affects
15 those taxes and fees shall not be amended or repealed or
16 otherwise directly or indirectly modified so as to impair any
17 outstanding bonds secured by a pledge of revenues from those
18 taxes and fees paid into the state road fund, unless the bonds
19 have been discharged in full or provisions have been made for a
20 full discharge. In addition, while any bonds issued by the state
21 highway commission pursuant to the provisions of this section
22 remain outstanding, the powers or duties of the commission shall
23 not be diminished or impaired in any manner that will affect
24 adversely the interests and rights of the holder of such bonds.

25 L. Bonds issued pursuant to this section shall be
paid solely from federal funds not otherwise obligated, taxes and
fees and county and municipal contributions deposited into the
state road fund and shall not constitute a general obligation of

1 the state. "

2 Section 5. Section 67-3-65 NMSA 1978 (being Laws 1973,
3 Chapter 145, Section 1, as amended) is amended to read:

4 "67-3-65. STATE ROAD FUND CREATED-- ADMINISTRATIVE FEE. --

5 A. The "state road fund" is created within the state
6 treasury to which shall be credited all receipts authorized by
7 law to be paid into it. No income earned on the fund shall be
8 transferred to another fund. For fiscal year 2000 and subsequent
9 fiscal years, money in the state road fund after payment of the
10 administrative fee pursuant to Subsection B of this section shall
11 be used solely for highway and transportation programs and
12 purposes administered by the state highway and transportation
13 department.

14 B. For July 1999 and subsequent months, to defray the
15 costs of administering the collection of taxes and fees that
16 constitute the state road fund, an administrative fee of three
17 percent is imposed on revenues deposited in the state road fund.
18 The administrative fee shall be imposed on all revenues deposited
19 each month in the state road fund other than federal funds, bond
20 proceeds and county and municipal contributions pursuant to a
21 cooperative agreement. The department shall transmit the fee to
22 the state treasurer for deposit in the general fund no later than
23 the tenth day of the month following the month for which the fee
24 was calculated. "

25 Section 6. EFFECTIVE DATE. --The effective date of the
provisions of this act is July 1, 1998.

Underscored material = new
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Underscored material = new
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HTC/HB 179, et al.

FORTY-THIRD LEGISLATURE
SECOND SESSION, 1998

February 12, 1998

Mr. Speaker:

Your TRANSPORTATION COMMITTEE, to whom has been referred

HOUSE BILLS 179, 147, 286, and 344

has had it under consideration and reports same with recommendation that they DO NOT PASS, but that

HOUSE TRANSPORTATION COMMITTEE SUBSTITUTE FOR HOUSE BILLS 179, 147, 286, and 344

DO PASS and thence referred to the TAXATION AND REVENUE COMMITTEE.

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Respectfully submitted,

Daniel P. Silva, Chairman

Adopted _____

(Chief Clerk)

Not Adopted _____

(Chief Clerk)

Date _____

The roll call vote was 11 For 0 Against

Yes: 11

Excused: None

Absent: Russell

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