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SENATE BILL 168

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

INTRODUCED BY

LEONARD LEE RAWSON

AN ACT

RELATING TO FINANCING OF HIGHWAY PROJECTS; INCREASING THE
BONDING AUTHORITY OF THE STATE HIGHWAY COMMISSION FOR CERTAIN
CONSTRUCTION OF AND IMPROVEMENTS TO UNITED STATES HIGHWAY 70;
CHANGING THE DISTRIBUTION OF MOTOR VEHICLE EXCISE TAX
REVENUES; AMENDING SECTIONS OF THE NMSA 1978; MAKING AN
APPROPRIATION.

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

Section 1. 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

Underscored material = new
[bracketed material] = delete

1 interest shall be distributed [~~to the general fund~~] as
2 follows:

- 3 A. prior to July 1, 1999, to the general fund; and
- 4 B. after June 30, 1999, two-thirds to the general
5 fund and one-third to the state road fund. "

6 Section 2. Section 67-3-59.1 NMSA 1978 (being Laws 1989,
7 Chapter 157, Section 1, as amended) is amended to read:

8 "67-3-59.1. STATE HIGHWAY DEBENTURES--ISSUANCE--LIMITS--
9 APPROVAL--COUPONS.--

10 A. In order to provide funds to finance state
11 highway projects, including state highway projects that are
12 required for the waste isolation pilot project and are
13 eligible for federal reimbursement or payment as authorized by
14 federal legislation, the state highway commission is
15 authorized to issue bonds from time to time, payable from
16 federal funds not otherwise obligated that are paid into the
17 state road fund, the proceeds of the collection of [~~gasoline~~
18 ~~excise~~] taxes and [~~motor vehicle registration~~] fees that are
19 required by law to be paid into the state road fund and not
20 otherwise pledged solely to the payment of outstanding bonds
21 and debentures.

22 B. The total aggregate outstanding principal
23 amount of bonds issued from time to time pursuant to this
24 section, secured by or payable from [~~the gasoline excise taxes~~
25 ~~and motor vehicle registration fees~~] federal funds not

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[bracketed material] = delete

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

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

10 (2) after June 30, 1998, two hundred fifty
11 million dollars (\$250,000,000).

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

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

21 (2) the total aggregate outstanding principal
22 amount of bonds issued for state highway projects other than
23 state highway projects that are required for the waste
24 isolation pilot project and are eligible for federal
25 reimbursement or payment as authorized by federal legislation

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1 shall not exceed:

2 (a) prior to July 1, 1998, fifty
3 million dollars (\$50,000,000); and

4 (b) after June 30, 1998, one hundred
5 fifty million dollars (\$150,000,000); and

6 (3) the proceeds from the sale of the bonds
7 after June 30, 1998 using the additional authority added in
8 Subparagraph (b) of Paragraph (2) of this subsection shall be
9 used for planning, designing, engineering and constructing and
10 for acquiring rights of way for the limited access
11 construction and necessary interchanges for United States
12 highway 70 from Las Cruces east to White Sands missile range
13 road.

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

17 [~~D.~~] E. Each series of bonds shall have a maturity
18 of no more than twenty-five years from the date of issuance.
19 The state highway commission shall determine all other terms,
20 covenants and conditions of the bonds; provided that the bonds
21 shall not be issued pursuant to this section unless the state
22 board of finance approves the issuance of the bonds and the
23 principal amount of and interest rate or maximum net effective
24 interest rate on the bonds.

25 [~~E.~~] F. The bonds shall be executed with the

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1 manual or facsimile signatures of the chairman of the state
2 highway commission, countersigned by the state treasurer and
3 attested to by the secretary of the state highway commission,
4 with the seal of the state highway commission imprinted or
5 otherwise affixed to the bonds.

6 [F-] G. Proceeds of the bonds may be used to pay
7 expenses incurred in the preparation, issuance and sale of the
8 bonds and, together with the earnings on the proceeds of the
9 bonds, may be used to pay rebate, penalty, interest and other
10 obligations relating to the bonds and the proceeds of the
11 bonds under the Internal Revenue Code of 1986, as amended.

12 [G-] H. The bonds may be sold at public or private
13 sale. If sold at public sale, a notice of the time and place
14 of sale shall be published in a newspaper of general
15 circulation in the state, and in any other newspaper
16 determined in the resolution authorizing the issuance of the
17 bonds, once each week for two consecutive weeks prior to the
18 date of sale. The bonds may be purchased by the state
19 treasurer or state investment officer.

20 [H-] I. This section is full authority for the
21 issuance and sale of the bonds, and the bonds shall not be
22 invalid for any irregularity or defect in the proceedings for
23 their issuance and sale and shall be incontestable in the
24 hands of bona fide purchasers or holders of the bond for
25 value.

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1 ~~[I.]~~ J. The bonds shall be legal investments for
2 any person or board charged with the investment of public
3 funds and may be accepted as security for any deposit of
4 public money and, with the interest thereon, are exempt from
5 taxation by the state and any political subdivision or agency
6 of the state.

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

20 L. Bonds issued pursuant to this section shall be
21 paid solely from federal funds not otherwise obligated and
22 taxes and fees deposited into the state road fund and shall
23 not constitute a general obligation of the state. "

1 FORTY-THIRD LEGISLATURE

2 SECOND SESSION, 1998

3
4
5
6 January 30, 1998

7
8 Mr. President:

9
10 Your COMMITTEES' COMMITTEE, to whom has been referred

11
12 SENATE BILL 168

13
14 has had it under consideration and finds same to be GERMANE, in
15 accordance with constitutional provisions, and thence referred to the
16 CORPORATIONS & TRANSPORTATIONS COMMITTEE.

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19 Respectfully submitted,

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25 Manny M. Aragon, Chairman

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~~[bracketed material]~~ = delete

Adopted _____ Not Adopted _____

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(Chief Clerk)

(Chief Clerk)

Date _____

S0168CC1

1 FORTY-THIRD LEGISLATURE

2 SECOND SESSION, 1998

3
4
5 February 6, 1998

6
7 Mr. President:

8
9 Your CORPORATIONS & TRANSPORTATION COMMITTEE, to whom
10 has been referred

11
12 SENATE BILL 168

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14 has had it under consideration and reports same with recommendation
15 that it DO PASS, and thence referred to the FINANCE COMMITTEE.

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17 Respectfully submitted,

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23 Roman M. Maes, III, Chairman
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Adopted _____ Not Adopted _____
(Chief Clerk) (Chief Clerk)

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Date _____

The roll call vote was 8 For 0 Against

Yes: 8

No: 0

Excused: Fidel, Robinson

Absent: None

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