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SENATE BILL 252

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

INTRODUCED BY

TIMOTHY Z. JENNINGS

AN ACT

RELATING TO FINANCING OF HIGHWAY PROJECTS; INCREASING THE BONDING AUTHORITY OF THE STATE HIGHWAY COMMISSION FOR FOUR-LANE CONSTRUCTION OF CERTAIN SECTIONS OF UNITED STATES HIGHWAYS 54 AND 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

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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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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, six hundred fifty
11 million dollars (\$650,000,000).

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, five hundred
5 fifty million dollars (\$550,000,000); 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 following projects:

11 (a) four-lane construction of United
12 States highway 70 from Alamogordo to Texico; and

13 (b) four-lane construction of United
14 States highway 54 from the Texas state line north to
15 Alamogordo.

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

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

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1 interest rate on the bonds.

2 [E-] F. The bonds shall be executed with the
3 manual or facsimile signatures of the chairman of the state
4 highway commission, countersigned by the state treasurer and
5 attested to by the secretary of the state highway commission,
6 with the seal of the state highway commission imprinted or
7 otherwise affixed to the bonds.

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

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

22 [H-] I. This section is full authority for the
23 issuance and sale of the bonds, and the bonds shall not be
24 invalid for any irregularity or defect in the proceedings for
25 their issuance and sale and shall be incontestable in the

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1 hands of bona fide purchasers or holders of the bond for
2 value.

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

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

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

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obligation of the state. "

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1 FORTY-THIRD LEGISLATURE
2 SECOND SESSION, 1998
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6 February 4, 1998
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8 Mr. President:
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10 Your COMMITTEES' COMMITTEE, to whom has been referred
11

12 SENATE BILL 252
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 & TRANSPORTATION COMMITTEE.
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19 Respectfully submitted,
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Manny M. Aragon, Chairman

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(Chief Clerk)

(Chief Clerk)

Date _____

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1 FORTY-THIRD LEGISLATURE

2 SECOND SESSION, 1998

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5 February 9, 1998

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7 Mr. President:

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

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12 SENATE BILL 252

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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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1 (Chief Clerk) (Chief Clerk)

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7 The roll call vote was 7 For 0 Against

8 Yes: 7

9 No: 0

10 Excused: Fidel, McKibben, Robinson

11 Absent: None

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2 SECOND SESSION, 1998

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5 February 9, 1998

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