

AN ACT

RELATING TO MILITARY AFFAIRS; CONCERNING CERTIFICATES OF INDEBTEDNESS; AMENDING SECTION 20-1-6 NMSA 1978 (BEING LAWS 1987, CHAPTER 318, SECTION 6); DECLARING AN EMERGENCY.

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

Section 1. Section 20-1-6 NMSA 1978 (being Laws 1987, Chapter 318, Section 6) is amended to read:

"20-1-6. PAYMENTS BY STATE TREASURER--CERTIFICATES OF INDEBTEDNESS.--

A. All compensation of personnel and all the necessary expenses incurred in quartering, housing, caring for, subsisting, protecting, equipping, warning for duty and transporting such officers and members and their equipment, including the purchase or lease of any articles of material, equipment or supplies reasonably required, designed or needed to accomplish the purpose or results desired by the governor or specified in his call for such troops into service of the state, shall be paid by the state. The state treasurer, upon presentation to him of vouchers and payrolls for such compensation, expenses, supplies and materials, certified by the officers commanding such forces and approved by the adjutant general, shall pay the vouchers and payrolls out of any money available in the state treasury not otherwise appropriated, provided that the vouchers and payrolls for

such service, supplies and materials do not exceed two hundred fifty thousand dollars (\$250,000) in any one fiscal year.

B. If there is no money available in the state treasury which is not otherwise appropriated or if the vouchers and payrolls for such service, material and supplies approach the amount of two hundred fifty thousand dollars (\$250,000) in any one fiscal year, the state treasurer shall certify such facts to the governor who shall inquire into and make an estimate of the total probable cost necessary to be incurred for all purposes in connection with or to accomplish the purpose for which such troops were called into active service. If he deems it necessary and prudent in order to provide for the public defense that such expenses be incurred and that it is necessary to create an indebtedness for the purpose of paying the expenses, the governor shall by proclamation declare an emergency to exist requiring the creation of an indebtedness under Article 9, Section 7 of the constitution of New Mexico in order to suppress insurrection or to provide for the public defense. The governor shall order the issuance of certificates of indebtedness in such amount as he deems required or necessary to provide funds for the payment of any expenses and costs incident to or connected with the emergency.

C. The certificates of indebtedness shall be

approved as to form by the attorney general. They shall be dated the day of their issuance and the state board of finance shall by proper resolutions prescribe the denominations of the certificates, the maturity dates thereof, the rate of interest they shall bear payable semiannually, the time and place of payment of both principal and interest and the amount of the certificates that shall be issued from time to time. The certificates shall be signed by the secretary of the state board of finance and the state treasurer and the coupons attached thereto shall have the engraved lithographed facsimile of the signature of the state treasurer thereon; provided, however, that certificates purchased by the state treasurer may be issued without coupons. The certificates shall be sold by the state board of finance from time to time in such amounts as it deems advisable, at not less than par and accrued interest to date of delivery, after advertisement for a period of two weeks immediately prior to the sale in one daily newspaper in the state and in some financial journal in the city and state of New York; provided, however, that the state treasurer may purchase the certificates as an investment of any funds in his hands available for investment and in the event of any such purchase by him, no advertisement shall be required. The proceeds of certificates so sold shall be by the state treasurer covered into a fund known as the "adjutant general

emergency public defense fund" and shall be expended and disbursed only in the manner and for the purposes specified and provided for in Chapter 20, Article 1 NMSA 1978.

D. A fund to be known as the "adjutant general emergency public defense certificates fund" to provide for the payment of interest and principal on the foregoing certificates is established and, beginning with the tax levy for the year following the issuance of the certificates, a tax shall be levied annually in the same manner as other ad valorem taxes are levied on all taxable property in the state, not to exceed one-half mill on the dollar of valuation, sufficient to produce the amount required to pay interest on the certificates and the principal thereof at maturity, for each year prior to the maturity of the certificates, which taxes when collected shall be credited to the adjutant general emergency public defense certificates fund. The state auditor shall each year prior to August 1 certify to the property tax division of the taxation and revenue department the amount necessary to meet all payments of principal and interest due on the certificates during the year ending June 30 following the date of the certificates.

E. On or before the twentieth legislative day of the next legislative session following the expenditures of the sums provided for in this section, the governor shall file a written report with the presiding officer of each

house of the legislature setting forth the purpose and the amounts of money expended as provided in this section.

F. The provisions of this section may be used for the operation of the national guard or the state defense force when on militia duty."

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