

AN ACT

RELATING TO PUBLIC SCHOOL CAPITAL FUNDING; DISTRIBUTING A PERCENTAGE OF MOTOR VEHICLE EXCISE TAX REVENUES TO THE PUBLIC SCHOOL CAPITAL OUTLAY FUND; AUTHORIZING THE DISTRIBUTION TO BE PLEDGED FOR BONDS ISSUED BY THE NEW MEXICO FINANCE AUTHORITY FOR CAPITAL OUTLAY PROJECTS FOR PUBLIC SCHOOLS.

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 interest shall be distributed as follows:

A. one-third to the public school capital outlay fund for the purposes of the Public School Capital Outlay Act; and

B. two-thirds to the general fund."

Section 2. NEW MEXICO FINANCE AUTHORITY REVENUE BONDS--PURPOSE--APPROPRIATION.--

A. The New Mexico finance authority may issue and sell revenue bonds, from time to time, in compliance with the New Mexico Finance Authority Act for the purpose of financing

public school capital outlay projects designated by the public school capital outlay council.

B. The New Mexico finance authority may issue and sell revenue bonds authorized by this section when the public school capital outlay council certifies the need for issuance of the bonds and the amount of bonds to be issued. The net proceeds from the sale of the bonds are appropriated to the public school capital outlay council for the purposes described in Subsection A of this section.

C. Upon certification, from time to time, of the need for issuance of bonds by the public school capital outlay council, the money in the public school capital outlay fund derived from motor vehicle excise tax revenues pursuant to Section 7-14-10 NMSA 1978 shall be distributed to the New Mexico finance authority to be pledged irrevocably for the payment of principal, interest and other expenses or obligations related to the bonds.

D. After certification of the need for issuance of bonds by the public school capital outlay council, the money in the public school capital outlay fund derived from motor vehicle excise tax revenues pursuant to Section 7-14-10 NMSA 1978 shall be distributed monthly to the New Mexico finance authority and deposited in a special bond fund or account of the authority. Any money in the special bond fund or account from distributions made to the authority and any

earnings thereon during any fiscal year, if not needed to pay principal, interest and any other expenses or obligations related to the bonds in that fiscal year, shall be returned to the public school capital outlay fund by the authority. Upon payment of all principal, interest and any other expenses or obligations related to bonds, the authority shall certify to the public school capital outlay council that all obligations for the bonds issued pursuant to this section have been fully discharged and direct the public school capital outlay council to cease distributing money from the public school capital outlay fund to the authority until such time as the public school capital outlay council again certifies the need for issuance of bonds.

E. Any law authorizing the imposition, rate or collection of motor vehicle excise tax revenues, the distribution of motor vehicle excise tax revenues to the public school capital outlay fund or distribution of the money in the public school capital outlay fund derived from motor vehicle excise tax revenues to the New Mexico finance authority shall not be amended, repealed or otherwise directly or indirectly modified so as to impair any outstanding revenue bonds that may be secured by a pledge of the distributions of motor vehicle excise tax revenues to the public school capital outlay fund, unless the revenue bonds have been discharged in full or provisions have been made for

