

AN ACT

AUTHORIZING THE ISSUANCE OF SEVERANCE TAX BONDS FOR
CONSTRUCTION OF WATER AND SEWER SYSTEMS IN BERNALILLO COUNTY;
MAKING AN APPROPRIATION.

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

Section 1. SEVERANCE TAX BONDS--PURPOSE FOR WHICH
ISSUED--APPROPRIATION OF PROCEEDS.--The state board of
finance may issue and sell severance tax bonds in fiscal
years 2001 through 2010 in compliance with the Severance Tax
Bonding Act in an amount not exceeding a total of twenty
million dollars (\$20,000,000) when the local government
division of the department of finance and administration
certifies the need for the issuance of the bonds; provided
that no more than two million dollars (\$2,000,000) may be
issued in any one fiscal year. The state board of finance
shall schedule the issuance and sale of the bonds in the most
expeditious and economical manner possible upon a finding by
the board that the project has been developed sufficiently to
justify the issuance and that the project can proceed to
contract within a reasonable time. The state board of
finance shall further take the appropriate steps necessary to
comply with the Internal Revenue Code of 1986, as amended.
The proceeds from the sale of the bonds are appropriated to
the local government division of the department of finance

and administration for the purpose of financing water and sewer distribution and collection systems in the developed and underserved areas of Bernalillo county, including areas in the city of Albuquerque. The certification and issuance of bonds for any fiscal year is contingent upon the secretary of finance and administration receiving certification from the governing body of the city of Albuquerque and the board of county commissioners of Bernalillo county that funding in an amount equal to four and one-half times the amount of bonds issued pursuant to this section, including the amount of bonds proposed to be issued for that fiscal year, has been secured from federal, city and county sources to construct the water and sewer distribution and collection systems. Any unexpended or unencumbered balance remaining at the end of fiscal year 2012 shall revert to the severance tax bonding fund. If the local government division of the department of finance and administration has not certified the need for the issuance of the bonds by the end of fiscal year 2010, the authorization provided in this section shall expire. _____