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HOUSE BILL 260

49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010

INTRODUCED BY

Edward C. Sandoval

AN ACT

RELATING TO CAPITAL EXPENDITURES; AUTHORIZING THE ISSUANCE OF SEVERANCE TAX BONDS; AUTHORIZING EXPENDITURES FROM CERTAIN FUNDS AND BALANCES; CLARIFYING CONDITIONS FOR THE ISSUANCE OF BONDS; ESTABLISHING CONDITIONS FOR THE EXPENDITURE OF SEVERANCE TAX BOND PROCEEDS; ESTABLISHING CONDITIONS FOR THE REVERSION OF UNEXPENDED BALANCES; MAKING APPROPRIATIONS; DECLARING AN EMERGENCY.

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

Section 1. SEVERANCE TAX BONDS--AUTHORIZATIONS--
APPROPRIATION OF PROCEEDS.--

A. The state board of finance may issue and sell severance tax bonds in compliance with the Severance Tax Bonding Act in an amount not to exceed the total of the amounts authorized for purposes specified in this act. The state board

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1 of finance shall schedule the issuance and sale of the bonds in
2 the most expeditious and economical manner possible upon a
3 finding by the board that the project has been developed
4 sufficiently to justify the issuance and that the project can
5 proceed to contract within a reasonable time. The state board
6 of finance shall further take the appropriate steps necessary
7 to comply with the Internal Revenue Code of 1986, as amended.
8 Proceeds from the sale of the bonds are appropriated for the
9 purposes specified in this act.

10 B. The agencies named in this act shall certify to
11 the state board of finance when the money from the proceeds of
12 the severance tax bonds authorized in this section is needed
13 for the purposes specified in the applicable section of this
14 act. If an agency has not certified the need for the issuance
15 of the bonds for a particular project, including projects that
16 have been reauthorized, by the end of fiscal year 2012, the
17 authorization for that project is void.

18 C. Before an agency may certify for the issuance of
19 severance tax bonds, the project must be developed sufficiently
20 so that the agency reasonably expects to:

21 (1) incur within six months after the
22 applicable bonds have been issued a substantial binding
23 obligation to a third party to expend at least five percent of
24 the bond proceeds for the project; and

25 (2) spend at least eighty-five percent of the

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1 bond proceeds within three years after the applicable bonds
2 have been issued.

3 D. Except as otherwise specifically provided by
4 law:

5 (1) the unexpended balance from the proceeds
6 of severance tax bonds issued pursuant to this act for a
7 project shall revert to the severance tax bonding fund no later
8 than the following dates:

9 (a) for a project for which severance
10 tax bonds were issued to match federal grants, six months after
11 completion of the project;

12 (b) for a project for which severance
13 tax bonds were issued to purchase vehicles, including emergency
14 vehicles and other vehicles that require special equipment;
15 heavy equipment; books; educational technology; or other
16 equipment or furniture that is not related to a more inclusive
17 construction or renovation project, at the end of the fiscal
18 year two years following the fiscal year in which the severance
19 tax bonds were issued for the purchase; and

20 (c) for any other project for which
21 severance tax bonds were issued, within six months of
22 completion of the project, but no later than the end of fiscal
23 year 2014; and

24 (2) all remaining balances from the proceeds
25 of severance tax bonds issued for a project pursuant to this

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1 act shall revert to the severance tax bonding fund three months
2 after the latest reversion date specified for that type of
3 project in Paragraph (1) of this subsection.

4 E. Except for appropriations to the capital program
5 fund, money from severance tax bond proceeds provided pursuant
6 to this act shall not be used to pay indirect project costs.

7 F. For the purpose of this section, "unexpended
8 balance" means the remainder of an appropriation after
9 reserving for unpaid costs and expenses covered by binding
10 written obligations to third parties.

11 Section 2. OTHER FUND APPROPRIATIONS--LIMITATIONS--
12 REVERSIONS.--

13 A. Except as otherwise specifically provided by
14 law:

15 (1) the unexpended balance of an appropriation
16 made in this act from other state funds shall revert no later
17 than the following dates:

18 (a) for a project for which an
19 appropriation was made to match federal grants, six months
20 after completion of the project;

21 (b) for a project for which an
22 appropriation was made to purchase vehicles, including
23 emergency vehicles and other vehicles that require special
24 equipment; heavy equipment; books; educational technology; or
25 other equipment or furniture that is not related to a more

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1 inclusive construction or renovation project, at the end of the
2 fiscal year two years following the fiscal year in which the
3 appropriation was made for the purchase; and

4 (c) for any other project for which an
5 appropriation was made, within six months of completion of the
6 project, but no later than the end of fiscal year 2014; and

7 (2) all remaining balances from an
8 appropriation made in this act for a project shall revert three
9 months after the latest reversion date specified for that type
10 of project in Paragraph (1) of this subsection.

11 B. Except for appropriations to the capital program
12 fund, money from appropriations made in this act shall not be
13 used to pay indirect project costs.

14 C. Except as provided in Subsection E of this
15 section, the balance of an appropriation made from the general
16 fund shall revert in the time frame set forth in Subsection A
17 of this section to the capital projects fund.

18 D. Except as provided in Subsection E of this
19 section, the balance of an appropriation made from other state
20 funds shall revert in the time frame set forth in Subsection A
21 of this section to the originating fund.

22 E. The balance of an appropriation made from the
23 general fund or other state fund to the Indian affairs
24 department or the aging and long-term services department for a
25 project located on lands of an Indian nation, tribe or pueblo

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1 shall revert in the time frame set forth in Subsection A of
2 this section to the tribal infrastructure project fund.

3 F. For the purpose of this section, "unexpended
4 balance" means the remainder of an appropriation after
5 reserving for unpaid costs and expenses covered by binding
6 written obligations to third parties.

7 Section 3. ADMINISTRATIVE OFFICE OF THE COURTS PROJECT--
8 SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1
9 of this act, upon certification by the administrative office of
10 the courts that the need exists for the issuance of the bonds,
11 one million dollars (\$1,000,000) is appropriated to the
12 administrative office of the courts to purchase and install
13 security equipment, including related infrastructure, at courts
14 statewide.

15 Section 4. CAPITAL PROGRAM FUND PROJECTS--SEVERANCE TAX
16 BONDS.--Pursuant to the provisions of Section 1 of this act,
17 upon certification by the property control division of the
18 general services department that the need exists for the
19 issuance of the bonds, the following amounts are appropriated
20 to the capital program fund for the following purposes:

21 1. four hundred thousand dollars (\$400,000) to
22 renovate and equip the youth diagnostic and development center
23 in Albuquerque in Bernalillo county in accordance with the
24 Missouri model and implementation of Cambiar New Mexico;

25 2. seven hundred thousand dollars (\$700,000) for

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1 upgrades, including walkways, sidewalks, ramps and stairs, to
2 comply with the Americans with Disabilities Act of 1990 at the
3 youth diagnostic and development center campus in Albuquerque
4 in Bernalillo county;

5 3. five hundred thousand dollars (\$500,000) to
6 upgrade the security systems at the youth diagnostic and
7 development center and at the Camino Nuevo site in Albuquerque
8 in Bernalillo county;

9 4. five hundred thousand dollars (\$500,000) to
10 purchase, install, equip and furnish the tri-lab facility
11 project, including moving new and existing furniture and
12 equipment, at the state laboratory services building in
13 Albuquerque in Bernalillo county;

14 5. five hundred thousand dollars (\$500,000) to
15 replace the roof and make improvements, including mold
16 remediation and structural and plumbing repairs, at the motor
17 vehicle division's Clovis field office in Curry county;

18 6. four million five hundred thousand dollars
19 (\$4,500,000) to complete construction of the Santa Teresa port
20 of entry in Dona Ana county;

21 7. eight hundred nineteen thousand seven hundred
22 dollars (\$819,700) for continued construction and
23 infrastructure improvements at the department of public safety
24 district offices in Las Cruces in Dona Ana county and Las Vegas
25 in San Miguel county;

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1 8. eight million nine hundred thousand dollars
2 (\$8,900,000) to plan, design and construct the New Meadows and
3 Ponderosa buildings at the New Mexico behavioral health
4 institute in Las Vegas in San Miguel county;

5 9. three million one hundred thousand dollars
6 (\$3,100,000) to upgrade the heating, ventilation and air
7 conditioning systems and infrastructure at the southern New
8 Mexico correctional facility in Dona Ana county and the central
9 New Mexico correctional facility in Valencia county;

10 10. one million three hundred thousand dollars
11 (\$1,300,000) for patient health and safety improvements at
12 department of health facilities statewide;

13 11. one million dollars (\$1,000,000) for
14 demolition, decommissioning and asbestos abatement of state
15 buildings, including the oil conservation field office in Hobbs
16 in Lea county, El Camino building and CBS barracks at the New
17 Mexico behavioral health institute in Las Vegas in San Miguel
18 county and the old dormitory at the New Mexico rehabilitation
19 center in Roswell in Chaves county; and

20 12. two million five hundred thousand dollars
21 (\$2,500,000) for repairs, renovations, deferred maintenance,
22 restoration and infrastructure improvements at state buildings
23 statewide.

24 Section 5. CULTURAL AFFAIRS DEPARTMENT PROJECTS--
25 SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1
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1 of this act, upon certification by the cultural affairs
2 department that the need exists for the issuance of the bonds,
3 the following amounts are appropriated to the cultural affairs
4 department for the following purposes:

5 1. five hundred thousand dollars (\$500,000) to
6 continue construction of the education center at the museum of
7 natural history in Albuquerque in Bernalillo county; and

8 2. two million dollars (\$2,000,000) for repairs and
9 infrastructure improvements, including security, fire
10 suppression, electrical, sewer and utility upgrades and
11 improvements to comply with the Americans with Disabilities Act
12 of 1990, to state museums and monuments statewide.

13 Section 6. CUMBRES AND TOLTEC SCENIC RAILROAD COMMISSION
14 PROJECT--SEVERANCE TAX BONDS.--Pursuant to the provisions of
15 Section 1 of this act, upon certification by the Cumbres and
16 Toltec scenic railroad commission that the need exists for the
17 issuance of the bonds, three hundred thousand dollars
18 (\$300,000) is appropriated to the Cumbres and Toltec scenic
19 railroad commission for track rehabilitation and improvements
20 to the Cumbres and Toltec scenic railroad in Rio Arriba county.

21 Section 7. OFFICE OF THE STATE ENGINEER PROJECTS--
22 SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1
23 of this act, upon certification by the office of the state
24 engineer that the need exists for the issuance of the bonds,
25 two hundred eighty thousand three hundred dollars (\$280,300) is

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1 appropriated to the office of the state engineer for
2 construction and improvements to the Bluewater dam in Cibola
3 county and the Hatch site 6 dam in Dona Ana county.

4 Section 8. TRIBAL INFRASTRUCTURE PROJECT FUND PROJECTS--
5 SEVERANCE TAX BONDS.--Pursuant to the provisions of Section 1
6 of this act, upon certification by the department of finance
7 and administration that the need exists for the issuance of the
8 bonds, two million dollars (\$2,000,000) is appropriated to the
9 tribal infrastructure project fund for tribal infrastructure
10 projects related to water, wastewater, electrical systems,
11 communications, roads, health, emergency facilities and
12 economic development statewide to carry out the provisions of
13 the Tribal Infrastructure Act.

14 Section 9. EDUCATIONAL RETIREMENT BOARD PROJECT--
15 APPROPRIATION FROM THE EDUCATIONAL RETIREMENT FUND.--Nine
16 million seven hundred thousand dollars (\$9,700,000) is
17 appropriated from the educational retirement fund to the
18 educational retirement board for expenditure in fiscal years
19 2010 through 2014, unless otherwise provided for in Section 2
20 of this act, to plan, design, construct or acquire and renovate
21 an existing building for the educational retirement board in
22 Santa Fe in Santa Fe county.

23 Section 10. DEPARTMENT OF GAME AND FISH PROJECT--
24 APPROPRIATION FROM THE GAME AND FISH BOND RETIREMENT FUND AND
25 THE GAME PROTECTION FUND.--The following amounts are

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1 appropriated from the following funds to the department of game
2 and fish for expenditure in fiscal years 2010 through 2014,
3 unless otherwise provided for in Section 2 of this act, to
4 construct and make improvements to integrate the existing cold
5 water fish hatchery at the Rock Lake warm water fish hatchery
6 in Guadalupe county:

- 7 1. one million two hundred thousand dollars
8 (\$1,200,000) from the game and fish bond retirement fund; and
- 9 2. two million three hundred thousand dollars
10 (\$2,300,000) from the game protection fund.

11 Section 11. DEPARTMENT OF TRANSPORTATION PROJECT--
12 APPROPRIATION FROM THE STATE ROAD FUND.--Three hundred fifty
13 thousand dollars (\$350,000) is appropriated from the state road
14 fund to the department of transportation for expenditure in
15 fiscal years 2010 through 2014, unless otherwise provided for
16 in Section 2 of this act, for purchase, installation and
17 construction of salt storage facilities in Clines Corners in
18 Torrance county.

19 Section 12. PROJECT SCOPE--EXPENDITURES.--If an
20 appropriation for a project authorized in this act is not
21 sufficient to complete all the purposes specified, the
22 appropriation may be expended for any portion of the purposes
23 specified in the appropriation. Expenditures shall not be made
24 for purposes other than those specified in the appropriation.

25 Section 13. ART IN PUBLIC PLACES.--Pursuant to Section
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1 13-4A-4 NMSA 1978 and where applicable, the appropriations
2 authorized in this act include one percent for the art in
3 public places fund.

4 Section 14. EMERGENCY.--It is necessary for the public
5 peace, health and safety that this act take effect
6 immediately.

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