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SENATE BILL 5

54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SPECIAL SESSION, 2020

INTRODUCED BY

George K. Munoz and Stuart Ingle

AN ACT

RELATING TO PUBLIC FINANCE; VOIDING GENERAL FUND APPROPRIATIONS
MADE FOR CERTAIN PROJECTS; AUTHORIZING THE ISSUANCE OF SHORT-
TERM SEVERANCE TAX BONDS, SHORT-TERM SUPPLEMENTAL SEVERANCE TAX
BONDS AND STATE TRANSPORTATION PROJECT BONDS; PROVIDING FOR
CERTAIN TRANSFERS TO THE GENERAL FUND AND TO THE APPROPRIATION
CONTINGENCY FUND FROM OTHER FUNDS; REPEALING LAWS 2020, CHAPTER
64, SECTIONS 1 THROUGH 4; MAKING APPROPRIATIONS; DECLARING AN
EMERGENCY.

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

**SECTION 1. REVERSION OF BALANCES FROM LAWS 2019 GENERAL
FUND APPROPRIATIONS FOR CERTAIN CAPITAL PROJECTS.--**

Notwithstanding the requirements for reversion contained in
Section 6-29-9 NMSA 1978 or in Laws 2019, Chapter 277, Section
1, on the effective date of this act, the unexpended or

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1 unencumbered balances of appropriations made from the general
2 fund in Laws 2019, Chapter 277 to the following agencies for
3 the following described projects shall revert to the general
4 fund, and, within thirty days of the effective date of this
5 act, the department of finance and administration shall
6 transfer such unexpended or unencumbered balances to the
7 general fund:

8 A. to the economic development department, one
9 hundred thousand dollars (\$100,000) for upgrades and repairs to
10 the mobile livestock slaughter unit for the Taos county
11 economic development corporation in Taos county;

12 B. to the public education department:

13 (1) seventy-three thousand dollars (\$73,000)
14 to plan, design, construct, renovate, demolish, furnish, equip
15 and install improvements to science classrooms at East Mountain
16 high school in the Albuquerque public school district in
17 Bernalillo county;

18 (2) two hundred thousand dollars (\$200,000) to
19 purchase and equip an activity bus for the Gadsden independent
20 school district in Dona Ana county;

21 (3) ten thousand dollars (\$10,000) to plan,
22 design, construct, purchase, renovate, furnish and equip
23 improvements to the New America school-Las Cruces buildings and
24 grounds, including information technology and related
25 equipment, vehicles and infrastructure, in Las Cruces in Dona

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1 Ana county;

2 (4) ten thousand dollars (\$10,000) to plan,
3 design, construct and equip an early childhood playground for
4 the west Las Vegas public school district head start program in
5 San Miguel county;

6 (5) thirty-five thousand dollars (\$35,000) to
7 plan, design, construct, equip, furnish and install a Kiva
8 outdoor classroom and seating area at Nina Otero community
9 school in the Santa Fe public school district in Santa Fe
10 county;

11 (6) ten thousand dollars (\$10,000) for
12 development of an educational specification plan for
13 alternative site facilities and to plan, design, construct,
14 purchase and make improvements for permanent facilities at
15 these sites in the Santa Fe public school district in Santa Fe
16 county;

17 (7) ten thousand dollars (\$10,000) to acquire
18 property and to plan, design and construct a school facility
19 for the Tierra Encantada charter school in Santa Fe in Santa Fe
20 county;

21 (8) thirty-five thousand dollars (\$35,000) to
22 plan, design, construct, purchase, equip, furnish and install
23 improvements to Kearny elementary school, including basketball
24 court improvements and shade structures for the bus area and
25 playgrounds, in the Santa Fe public school district in Santa Fe

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1 county;

2 (9) ten thousand dollars (\$10,000) to plan,
3 design, construct, equip, furnish and install improvements to
4 Mandela international magnet school, including the entrance and
5 the main hall flooring, in the Santa Fe public school district
6 in Santa Fe county;

7 (10) fifty thousand dollars (\$50,000) to
8 purchase resources for the library at Milagro middle school in
9 the Santa Fe public school district in Santa Fe county; and

10 (11) three hundred thousand dollars (\$300,000)
11 to plan, design and construct a building for the Red River
12 Valley charter school in Red River in Taos county;

13 C. to the department of environment:

14 (1) sixty thousand dollars (\$60,000) to plan,
15 design and construct water system improvements for the Puerto
16 de Luna mutual domestic water consumers and mutual sewage works
17 association in Guadalupe county;

18 (2) two hundred fifty thousand dollars
19 (\$250,000) to plan, design, construct, purchase and install
20 water meters for the water system in Vaughn in Guadalupe
21 county;

22 (3) six hundred thousand dollars (\$600,000) to
23 plan, design, construct, purchase and equip wells and well
24 houses for Carrizozo in Lincoln county;

25 (4) eighty-five thousand dollars (\$85,000) to

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1 plan, design and construct water system improvements for the
2 Buena Vista mutual domestic water consumer's and sewage works
3 association in Mora county;

4 (5) twenty-five thousand dollars (\$25,000) to
5 plan, design and construct water system improvements for the
6 Plaza Blanca mutual domestic water consumers association in Rio
7 Arriba county;

8 (6) two hundred thousand dollars (\$200,000) to
9 purchase, equip and install radio read meters for the Agua Sana
10 water users association in Rio Arriba county;

11 (7) four hundred thousand dollars (\$400,000)
12 to plan, design and construct a regional pipeline connection to
13 the Flora Vista water system from the North Star domestic water
14 consumers and mutual sewage works cooperative in San Juan
15 county;

16 (8) five hundred thousand dollars (\$500,000)
17 to plan, design and construct a water line extension from the
18 Blanco mutual domestic water consumers and mutual sewage works
19 association to the Turley and San Juan and Las Vegas
20 communities in San Juan county;

21 (9) eighty thousand dollars (\$80,000) to plan,
22 design and construct water system improvements for the Rowe
23 mutual domestic water consumers association in San Miguel
24 county;

25 (10) twenty-five thousand dollars (\$25,000) to

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1 plan, design and construct water system improvements for the
2 Rowe mutual domestic water consumers association in San Miguel
3 county; and

4 (11) fifty thousand dollars (\$50,000) to plan,
5 design and construct water system improvements for La Bajada
6 mutual domestic water consumers association in Santa Fe county;

7 D. to the Indian affairs department:

8 (1) one hundred ninety thousand dollars
9 (\$190,000) to plan, design, construct and equip the Laguna
10 K'awaika community center in the Pueblo of Laguna in Cibola
11 county;

12 (2) three hundred sixty thousand dollars
13 (\$360,000) to plan, design, construct, furnish and equip an
14 education complex, including a library, for the Pueblo of Santa
15 Ana in Sandoval county; and

16 (3) twenty-five thousand dollars (\$25,000) to
17 purchase furniture, information technology and equipment for
18 the leadership institute at the Santa Fe Indian school in Santa
19 Fe in Santa Fe county;

20 E. to the local government division of the
21 department of finance and administration:

22 (1) one hundred seventy-five thousand dollars
23 (\$175,000) to acquire property for a Crestview bluffs open
24 space area and to match funds for a national park service land
25 and water conservation fund grant for the purchase of Crestview

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1 bluffs in Bernalillo county;

2 (2) five hundred sixty thousand dollars
3 (\$560,000) to plan, design, construct, furnish and equip
4 buildings and infrastructure at the South Valley commons in
5 Bernalillo county;

6 (3) seven thousand dollars (\$7,000) to
7 purchase tools and equipment for a community bicycle recycling
8 program in the Atrisco community and southwest area of
9 Albuquerque in Bernalillo county;

10 (4) six hundred thousand dollars (\$600,000) to
11 plan, design and construct phase 1 of the Cibola loop community
12 complex, including a library and multigenerational center, in
13 Albuquerque in Bernalillo county;

14 (5) seventy-five thousand dollars (\$75,000) to
15 plan, design, construct, purchase, equip and install
16 improvements, including heating, ventilation and air
17 conditioning systems, at a community dental program in
18 Albuquerque in Bernalillo county;

19 (6) three hundred sixty thousand five hundred
20 dollars (\$360,500) to acquire property and to plan, design and
21 construct an urban green space along the Crestview bluff area
22 off the Arenal drain from west Central avenue to Bridge
23 boulevard both within and outside the city limits of
24 Albuquerque in Bernalillo county;

25 (7) fifty thousand dollars (\$50,000) to plan,

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1 design, construct, equip and install electronic digital display
2 signs in Albuquerque in Bernalillo county;

3 (8) twenty thousand dollars (\$20,000) to plan,
4 design, construct, furnish and equip a covered accessible bus
5 stop at Golf Course road serving southbound commuter route 92
6 at Homestead trail in Albuquerque in Bernalillo county;

7 (9) eight hundred twenty-three thousand eight
8 hundred ninety-eight dollars (\$823,898) to plan, design,
9 construct and renovate a facility for the Holocaust and
10 Intolerance museum in Albuquerque in Bernalillo county;

11 (10) ninety-five thousand dollars (\$95,000) to
12 furnish, equip and purchase information technology for a
13 flamenco institute headquarters in Albuquerque in Bernalillo
14 county;

15 (11) one hundred twenty-five thousand dollars
16 (\$125,000) to plan, design, construct, renovate, furnish, equip
17 and install phase 3 improvements, including a basketball court,
18 to the Joan Jones community center in Albuquerque in Bernalillo
19 county;

20 (12) one hundred forty-five thousand dollars
21 (\$145,000) to purchase and install equipment and furnishings,
22 including sound and audiovisual systems, seating, lighting,
23 musical instruments and furniture, for a performance and art
24 space in Albuquerque in Bernalillo county;

25 (13) one hundred thirty-five thousand dollars

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1 (\$135,000) to plan, design and equip construction of outdoor
2 public murals in Albuquerque in Bernalillo county;

3 (14) fifty thousand dollars (\$50,000) to plan,
4 design, construct and install route 66 signage at the Central
5 avenue and Lomas boulevard intersection area in Albuquerque in
6 Bernalillo county;

7 (15) one hundred five thousand dollars
8 (\$105,000) to plan, design, construct, furnish and equip a
9 driver's room at the Spanish Bit transit station in Albuquerque
10 in Bernalillo county;

11 (16) four hundred ninety thousand dollars
12 (\$490,000) to plan, design, construct, furnish and equip a
13 bicycle repair education facility in Villela park in
14 Albuquerque in Bernalillo county;

15 (17) two hundred forty thousand dollars
16 (\$240,000) to purchase property for the development of a park
17 near the Wells Park community center in Albuquerque in
18 Bernalillo county;

19 (18) one hundred thousand dollars (\$100,000)
20 to acquire land for and to plan, design, construct and equip
21 the Westgate little league complex in Albuquerque in Bernalillo
22 county;

23 (19) sixty-eight thousand dollars (\$68,000) to
24 plan, design, construct, install and equip a recreational
25 vehicle park on the common lands of the Canon de Carnue land

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1 grant-merced in Bernalillo county;

2 (20) one hundred fifty thousand dollars
3 (\$150,000) to plan, design and construct improvements,
4 including heating, ventilation and air conditioning systems, to
5 a community center in Vaughn in Guadalupe county;

6 (21) twenty thousand dollars (\$20,000) to
7 plan, design, construct, renovate, purchase, equip and install
8 improvements, including fencing, to a veterans memorial park in
9 Mosquero in Harding county;

10 (22) two hundred forty thousand dollars
11 (\$240,000) to plan, design, construct, furnish and equip
12 improvements, including a new screen, projection equipment,
13 seats, restrooms and a concession area, to the Chief theater in
14 Mora county;

15 (23) thirty-eight thousand dollars (\$38,000)
16 to plan, design, construct and equip a rural electric vehicle
17 charging network for the Greentree solid waste authority and
18 the Mescalero Apache Tribe in Lincoln and Otero counties;

19 (24) one hundred eighty-five thousand dollars
20 (\$185,000) to purchase property and to plan, design and
21 construct new recreational spaces and trails in Espanola in Rio
22 Arriba and Santa Fe counties;

23 (25) twelve thousand ninety-five dollars
24 (\$12,095) to plan, design and construct improvements to the
25 Sacramento mountains museum and pioneer village in Cloudcroft

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1 in Otero county;

2 (26) one hundred thousand dollars (\$100,000)
3 to purchase and equip vehicles for the boys and girls club of
4 Santa Fe/del norte in Rio Arriba county;

5 (27) fifty thousand dollars (\$50,000) to plan,
6 design, construct, renovate, furnish and equip improvements to
7 the Tecolote land grant-merced multipurpose center, including
8 the roof and septic system, in San Miguel county;

9 (28) thirty thousand dollars (\$30,000) to plan
10 and design improvements to a community park in Jemez Springs in
11 Sandoval county;

12 (29) ninety-five thousand dollars (\$95,000) to
13 plan, design, construct and equip a yurt for the Santa Fe
14 mountain center youth and adult programs in Santa Fe county;

15 (30) eighty-four thousand five hundred dollars
16 (\$84,500) to plan, design, construct and equip improvements to
17 the Santa Fe mountain center urban adventure center building in
18 Santa Fe in Santa Fe county;

19 (31) one hundred thousand dollars (\$100,000)
20 to plan, design, renovate, construct, equip and furnish a
21 multipurpose center in Cerro in Taos county; and

22 (32) fifty thousand dollars (\$50,000) for the
23 land grant council to acquire land within and for the Cristobal
24 de la Serna land grant-merced in Taos county;

25 F. to the department of transportation:

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1 (1) twenty-five thousand dollars (\$25,000) to
2 plan, design and construct pedestrian walkways and bicycle
3 paths along New Mexico highway 14 in Bernalillo county;

4 (2) one hundred fifty-two thousand dollars
5 (\$152,000) to acquire rights of way for and to plan, design and
6 construct improvements, including accessibility, to sidewalks
7 in the Parkland Hills neighborhood in Albuquerque in Bernalillo
8 county;

9 (3) seventy-five thousand dollars (\$75,000) to
10 plan, design and construct pedestrian and traffic calming
11 improvements to the Santa Barbara-Martineztown area of
12 Albuquerque in Bernalillo county;

13 (4) one hundred thousand dollars (\$100,000) to
14 plan and design improvements to Palomas avenue NE from
15 Louisiana boulevard to San Pedro road in Albuquerque in
16 Bernalillo county;

17 (5) one hundred thousand dollars (\$100,000) to
18 acquire rights of way for and to plan, design and construct
19 sidewalks in La Union in Dona Ana county;

20 (6) sixty-six thousand seven hundred fifty
21 dollars (\$66,750) to plan, design, construct, repair and
22 improve the infrastructure for roads and storm drainage in
23 Corrales in Sandoval county;

24 (7) one hundred thousand dollars (\$100,000) to
25 purchase easements and rights of way for and to plan, design,

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1 extend and construct Zafarano drive from Rufina street to Agua
2 Fria street in Santa Fe county; and

3 (8) one hundred fifteen thousand dollars
4 (\$115,000) for a drainage master plan and to plan, design and
5 construct drainage improvements in Rio Communities in Valencia
6 county; and

7 G. to the higher education department:

8 (1) three hundred thousand dollars (\$300,000)
9 to plan, design and construct the central New Mexico community
10 college film production center of excellence at the rail yards
11 in Albuquerque in Bernalillo county;

12 (2) seven hundred fifty thousand dollars
13 (\$750,000) for the expansion of the trades program facility at
14 the Crownpoint campus of Navajo technical university in
15 McKinley county; and

16 (3) ten thousand dollars (\$10,000) to plan,
17 design, construct, renovate, purchase, equip and install
18 infrastructure improvements to Santa Fe community college adult
19 education facilities, including flooring, equipment and
20 training and laboratory space improvements, in Santa Fe county.

21 SECTION 2. REVERSION OF BALANCES FROM LAWS 2019 GENERAL
22 FUND APPROPRIATION TO THE BORDER AUTHORITY.--Notwithstanding
23 the requirements for reversion contained in Laws 2019, Chapter
24 277, Section 1, on the effective date of this act, two million
25 four hundred thousand dollars (\$2,400,000) of the unexpended or

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1 unencumbered balance of the appropriation to the border
2 authority to plan, design and construct a road between Santa
3 Teresa and Sunland Park in Dona Ana county as provided in
4 Subsection 1 of Section 6 of Chapter 277 of Laws 2019 shall
5 revert to the general fund, and within thirty days of the
6 effective date of this act, the department of finance and
7 administration shall transfer such unexpended or unencumbered
8 balance to the general fund.

9 **SECTION 3. SHORT-TERM SEVERANCE TAX BONDS AND SHORT-TERM**
10 **SUPPLEMENTAL SEVERANCE TAX BONDS--ISSUANCE--APPROPRIATION OF**
11 **PROCEEDS.--**

12 A. In addition to the bonds issued in accordance
13 with Section 7-27-14 NMSA 1978, and notwithstanding the
14 limitations of that section, Section 7-27-10.1 NMSA 1978 or
15 Section 7-27-12.5 NMSA 1978, in fiscal year 2020, the state
16 board of finance shall, in compliance with the Severance Tax
17 Bonding Act, issue and sell severance tax bonds with a term
18 that does not extend beyond the end of the fiscal year or
19 supplemental severance tax bonds with a term that does not
20 extend beyond the end of the fiscal year, or a combination of
21 those severance tax bonds and supplemental severance tax bonds,
22 up to the total amount calculated pursuant to Subsection C of
23 this section, when the:

24 (1) secretary of finance and administration
25 certifies the need for the severance tax bonds pursuant to

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1 Subsection B of this section and upon a finding by the
2 secretary that the projects for which the bonds are to be
3 issued have been developed sufficiently to justify the issuance
4 and that the projects can proceed to contract within a
5 reasonable time; and

6 (2) public school capital outlay council
7 certifies the need for the supplemental severance tax bonds,
8 subject to the limitations of Subsection H of this section.

9 B. The secretary of finance and administration
10 shall certify the need for the severance tax bonds issued
11 pursuant to this section only if the balance in the severance
12 tax bonding fund as of the date the bonds are issued exceeds
13 the sum of the:

14 (1) debt service on the severance tax bonds
15 and supplemental severance tax bonds issued in accordance with
16 this section; and

17 (2) amount necessary to meet all principal and
18 interest payments on outstanding bonds payable from the
19 severance tax bonding fund on the next two ensuing semiannual
20 payment dates.

21 C. The secretary of finance and administration
22 shall, prior to the end of fiscal year 2020, determine the
23 amount of money in the severance tax bonding fund, less the
24 amount necessary to meet all principal and interest payments on
25 the:

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1 (1) severance tax bonds and supplemental
2 severance tax bonds issued in accordance with this section; and

3 (2) bonds payable from the severance tax
4 bonding fund on the next two ensuing semiannual payment dates.

5 D. The state board of finance shall issue and sell
6 the bonds in the most expeditious and economical manner
7 possible. The state board of finance shall further take the
8 appropriate steps necessary to comply with the United States
9 Internal Revenue Code of 1986, as amended.

10 E. Except as provided in Subsection G of this
11 section, proceeds from the sale of the severance tax bonds
12 issued and sold pursuant to this section shall be appropriated
13 up to the amounts, to the entities and for the projects as
14 provided pursuant to:

15 (1) Laws 2020, Chapter 81, Sections 4, 6
16 through 32 and 34 through 48;

17 (2) Item (2) of Section 25 and Items (4) and
18 (6) of Section 26 of Chapter 80 of Laws 2018; and

19 (3) Laws 2019, Chapter 280, Sections 4 and
20 114.

21 F. The agencies for which appropriations are made
22 pursuant to Subsection E of this section shall certify the need
23 for severance tax bonds when proceeds from the bonds
24 appropriated in this section are needed for the purposes for
25 which the appropriations are made.

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1 G. The following percentages of the proceeds from
2 the severance tax bonds are appropriated as follows:

3 (1) nine percent of the proceeds is
4 appropriated to the water project fund to fund water projects
5 statewide, pursuant to the provisions of Subsection C of
6 Section 7-27-10.1 NMSA 1978;

7 (2) four and one-half percent of the proceeds
8 is appropriated to the tribal infrastructure project fund to
9 fund tribal infrastructure projects, pursuant to the provisions
10 of Subsection E of Section 7-27-10.1 NMSA 1978; and

11 (3) four and one-half percent of the proceeds
12 is appropriated to the colonias infrastructure project fund to
13 fund colonias infrastructure projects in accordance with the
14 provisions of Subsection B of Section 7-27-12.5 NMSA 1978.

15 H. Provided that the secretary of finance and
16 administration makes the certification pursuant to Subsection B
17 of this section, in addition to proceeds from any other
18 supplemental severance tax bonds issued in fiscal year 2020,
19 the public school capital outlay council may, in fiscal year
20 2020, certify the need for supplemental severance tax bond
21 proceeds in an aggregate principal amount not to exceed fifty-
22 five million dollars (\$55,000,000).

23 I. Except as otherwise specifically provided by
24 law:

25 (1) the unexpended balance from the proceeds

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1 of severance tax bonds appropriated in this section for a
2 project shall revert to the severance tax bonding fund no later
3 than the following dates:

4 (a) for a project for which severance
5 tax bond proceeds are appropriated to match federal grants, six
6 months after completion of the project;

7 (b) for a project for which severance
8 tax bond proceeds are appropriated to purchase vehicles,
9 including emergency vehicles and other vehicles that require
10 special equipment heavy equipment; books; educational
11 technology; or other equipment or furniture that is not related
12 to a more inclusive construction or renovation project, at the
13 end of the fiscal year two years following the fiscal year in
14 which severance tax bond proceeds were made available for the
15 purchase; and

16 (c) for any other project for which
17 severance tax bonds were appropriated, within six months of the
18 completion of the project, but no later than the end of fiscal
19 year 2024; and

20 (2) all remaining balances from the proceeds
21 of severance tax bonds appropriated for a project pursuant to
22 this section shall revert to the severance tax bonding fund
23 three months after the latest reversion date specified for that
24 type of project in Paragraph (1) of this subsection.

25 J. Except for appropriations to the capital program

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1 fund, money from severance tax bond proceeds provided pursuant
2 to this section shall not be used to pay indirect project
3 costs.

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

8 SECTION 4. Section 67-3-59.2 NMSA 1978 (being Laws 1999
9 (1st S.S.), Chapter 9, Section 3, as amended) is amended to
10 read:

11 "67-3-59.2. HIGHWAY INFRASTRUCTURE FUND CREATED--
12 PURPOSE.--

13 A. The "highway infrastructure fund" is created in
14 the state treasury and shall be administered by the department.
15 The fund shall consist of money from various fees and taxes
16 distributed to the fund. Earnings on investment of the fund
17 shall be credited to the fund. Balances in the fund at the end
18 of any fiscal year shall not revert and shall remain in the
19 fund for the purposes authorized in this section.

20 B. Money in the fund shall be used solely for
21 acquisition of rights of way or planning, design, engineering,
22 construction or improvement of state highway projects
23 authorized pursuant to the provisions of Laws 1998, Chapter 84,
24 Subsections C through H of Section 1 of Chapter 85 of Laws
25 1998, ~~and~~ Laws 2003 (1st S.S.), Chapter 3, Sections 27 and 28

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1 and Section 7 of this [~~2003~~] 2020 act and is appropriated to
2 the department for expenditure for those purposes.

3 C. The taxes and fees required by law to be
4 distributed to the highway infrastructure fund may be pledged
5 for the payment of [~~state highway~~] bonds issued pursuant to
6 Sections 67-3-59.1, [~~and~~] 67-3-59.3 and 67-3-59.4 NMSA 1978 and
7 [~~Section 26~~] Section 7 of this [~~2003~~] 2020 act for the highway
8 projects authorized in the laws specified in Subsection B of
9 this section."

10 SECTION 5. Section 67-3-59.3 NMSA 1978 (being Laws 2003
11 (1st S.S.), Chapter 3, Section 24) is amended to read:

12 "67-3-59.3. STATE TRANSPORTATION PROJECT BONDS--
13 ISSUANCE--PROCEDURES--APPROVAL.--

14 A. In order to provide funds to finance state
15 transportation projects, the New Mexico finance authority, when
16 directed by the state transportation commission, is authorized,
17 subject to the limitations of this section [~~and~~], Section [~~26~~
18 ~~of this 2003 act~~] 67-3-59.4 NMSA 1978 and Section 7 of this
19 2020 act, to issue state transportation project bonds from time
20 to time, payable from:

21 (1) federal funds not otherwise obligated that
22 are paid into the state road fund;

23 (2) proceeds of the collection of taxes and
24 fees that are required to be paid into the state road fund and
25 not otherwise pledged exclusively to the payment of outstanding

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1 bonds and debentures; and

2 (3) taxes and fees required by law to be paid
3 into the highway infrastructure fund.

4 B. The New Mexico finance authority, when directed
5 by the state transportation commission, may issue bonds to
6 refund other bonds issued by or at the direction of the state
7 transportation commission pursuant to this section or Section
8 67-3-59.1 NMSA 1978 by exchange or current or advance
9 refunding.

10 C. In consultation with the state transportation
11 commission, the New Mexico finance authority shall determine
12 all terms, covenants and conditions of the bonds; provided that
13 the project design life of a project meets or exceeds the life
14 of the bond issued for that project, and each series of bonds
15 shall be sold, executed and delivered in accordance with the
16 provisions of the New Mexico Finance Authority Act. The New
17 Mexico finance authority may enter into interest rate exchange
18 agreements, interest rate swap contracts, insurance agreements,
19 remarketing agreements and any other agreements deemed
20 necessary in connection with the issuance of the bonds.

21 D. Proceeds of the bonds and amounts on deposit in
22 the state road fund and the highway infrastructure fund may be
23 used to pay expenses incurred in the preparation,
24 administration, issuance and sale of the bonds and, together
25 with the earnings on the proceeds of the bonds, may be used to

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1 pay rebate, penalty, interest and other obligations relating to
2 the bonds and the proceeds of the bonds under the Internal
3 Revenue Code of 1986, as amended.

4 E. This section is full authority for the issuance
5 and sale of the bonds, and the bonds shall not be invalid for
6 any irregularity or defect in the proceedings for their
7 issuance and sale and shall be incontestable in the hands of
8 bona fide purchasers or holders of the bond for value.

9 F. The bonds shall be legal investments for a
10 person or board charged with the investment of public funds and
11 may be accepted as security for a deposit of public money and,
12 with the interest thereon, are exempt from taxation by the
13 state and a political subdivision or agency of the state.

14 G. Any law authorizing the imposition or
15 distribution of taxes or fees paid into the state road fund or
16 the highway infrastructure fund or that affects those taxes and
17 fees shall not be amended or repealed or otherwise directly or
18 indirectly modified so as to impair outstanding bonds secured
19 by a pledge of revenues from those taxes and fees paid into the
20 state road fund or the highway infrastructure fund, unless the
21 bonds have been discharged in full or provisions have been made
22 for a full discharge. In addition, while any bonds issued by
23 the New Mexico finance authority pursuant to the provisions of
24 this section remain outstanding, the powers or duties of the
25 state transportation commission or the authority shall not be

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1 diminished or impaired in any manner that will affect adversely
2 the interests and rights of the holder of such bonds.

3 H. In contracting for state transportation projects
4 to be paid in whole or in part with proceeds of bonds
5 authorized by this section, the department shall require that
6 any sand, gravel, caliche or similar material needed for the
7 project shall, if practicable, be mined from state lands. Each
8 contract shall provide that the contractor notify the
9 commissioner of public lands of the need for the material and
10 that, through lease or purchase, the material shall be mined
11 from state lands if:

12 (1) the material needed is available from
13 state lands in the vicinity of the project;

14 (2) the commissioner determines that the lease
15 or purchase is in the best interest of the state land trust
16 beneficiaries; and

17 (3) the cost to the contractor for the
18 material, including the costs of transportation, is competitive
19 with other available material from nonstate lands.

20 I. Bonds issued pursuant to this section shall be
21 paid solely from federal funds not otherwise obligated and
22 taxes and fees deposited into the state road fund and the
23 highway infrastructure fund and shall not constitute a general
24 obligation of the state.

25 J. For purposes of this section, "state

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1 transportation project bonds" includes only those bonds issued
2 pursuant to this section and excludes transportation bonds as
3 defined in Section 67-3-72 NMSA 1978."

4 SECTION 6. Section 67-3-59.4 NMSA 1978 (being Laws 2003
5 (1st S.S.), Chapter 3, Section 26) is amended to read:

6 "67-3-59.4. STATE TRANSPORTATION PROJECT BONDS--
7 AUTHORIZATION AND APPROPRIATION--PRIORITIES--CRITERIA--
8 REPORTS.--

9 A. It is the intent of the legislature to authorize
10 the New Mexico finance authority to issue state transportation
11 project bonds pursuant to Section 67-3-59.3 NMSA 1978 for
12 projects specified in Laws 2003 (1st S.S.), Chapter 3, Sections
13 27 and 28 [of this 2003 act] and in Section 7 of this 2020 act
14 in the total aggregate principal amount of one billion five
15 hundred eighty-five million dollars (\$1,585,000,000) [in annual
16 increments of three hundred fifty million dollars
17 (\$350,000,000) beginning with the appropriation for 2003
18 provided for in Subsection B of this section].

19 B. [~~After the effective date of this act~~] The state
20 [~~transportation~~] transportation commission may authorize the New
21 Mexico finance authority to issue and sell state transportation
22 project bonds. The proceeds of the bonds are appropriated to
23 the department of transportation for projects listed in Laws
24 2003 (1st S.S.), Chapter 3, Sections 27 and 28 and in Section 7
25 of this [~~2003~~] 2020 act.

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1 C. The department of transportation shall provide
2 to the legislature and the governor a report on transportation
3 priorities and progress. The report shall include:

4 (1) justification of priority ranking of
5 projects, including the following for each highway project
6 enumerated in Laws 2003 (1st S.S.), Chapter 3, Sections 27 and
7 28 [of this 2003 act]:

8 (a) traffic counts and accident rates
9 and the expected improvements to traffic flow, health and
10 safety;

11 (b) the ranking of the pavement and
12 substructure conditions;

13 (c) an assessment of economic
14 development impacts; and

15 (d) other information deemed significant
16 by the department;

17 (2) the expected life of the proposed
18 improvement;

19 (3) sufficiency of revenue to pay the
20 principal and interest of all outstanding and proposed bonds
21 based on a five- and twenty-year financial forecast for the
22 state road fund and the effect of the bond program on the
23 department's construction and maintenance program;

24 (4) status report of ongoing major
25 construction;

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1 (5) the relationship between the requested
2 projects and the statewide transportation improvement program;
3 and

4 (6) any other information requested by the
5 legislature or the executive.

6 D. The department of transportation shall provide
7 quarterly progress reports to the department of finance and
8 administration and the legislative finance committee.

9 E. The department of transportation shall adopt and
10 enforce rules with the goal that no less than seventy percent
11 of the work force of an exclusively state-funded project
12 authorized in Laws 2003 (1st S.S.), Chapter 3, Sections 27 and
13 28 [~~of this 2003 act~~] shall be residents of New Mexico."

14 SECTION 7. DEPARTMENT OF TRANSPORTATION PROJECTS--
15 APPROPRIATION REVERSION--AUTHORIZATION TO ISSUE STATE
16 TRANSPORTATION PROJECT BONDS.--

17 A. Notwithstanding the provisions of Laws 2019,
18 Chapter 271, Section 9, seventy-five million dollars
19 (\$75,000,000) of the unexpended or unencumbered balance of the
20 appropriation provided pursuant to that law from the general
21 fund to the department of transportation for acquisition of
22 rights of way, planning, design and construction and to match
23 federal and other state funds for projects shall not be
24 expended or encumbered and shall revert to the general fund at
25 the end of fiscal year 2020.

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1 B. Of the aggregate principal amount of one billion
2 five hundred eighty-five million dollars (\$1,585,000,000) for
3 state transportation project bonds that the New Mexico finance
4 authority is authorized to issue pursuant to Sections 67-3-59.3
5 and 67-3-59.4 NMSA 1978, the New Mexico finance authority may,
6 on or after July 1, 2022, issue and sell state transportation
7 project bonds in a principal amount not to exceed seventy-five
8 million dollars (\$75,000,000) for acquisition of rights of way,
9 planning, design and construction and to match federal and
10 other state funds for projects for which general fund
11 appropriations were made pursuant to Laws 2019, Chapter 271,
12 Section 9.

13 C. The department of transportation may use the net
14 proceeds of state transportation project bonds issued by the
15 New Mexico finance authority pursuant to Subsection B of this
16 section for the projects for which general fund appropriations
17 were made pursuant to Laws 2019, Chapter 271, Section 9.

18 D. Any unexpended or unencumbered balance after the
19 completion of the projects authorized in this section shall
20 revert to the state road fund.

21 **SECTION 8. FUND AND OTHER ACCOUNT TRANSFERS AND**
22 **REVERSIONS TO THE GENERAL FUND--FISCAL YEAR 2020.--**
23 Notwithstanding any restriction on or use of money in the funds
24 or accounts, the following unexpended or unencumbered balances
25 from the following amounts from the following funds or accounts

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1 are transferred to the fiscal year 2020 appropriation account
2 of the general fund:

3 A. one million dollars (\$1,000,000) from the
4 consumer settlement fund of the office of the attorney general;

5 B. one million dollars (\$1,000,000) from the local
6 DWI grant fund;

7 C. two million dollars (\$2,000,000) from the
8 enhanced 911 fund;

9 D. four million dollars (\$4,000,000) from the
10 public liability fund;

11 E. one million dollars (\$1,000,000) from the public
12 property reserve fund;

13 F. one million dollars (\$1,000,000) from the New
14 Mexico youth conservation corps fund;

15 G. seven hundred fifty thousand dollars (\$750,000)
16 from the medical cannabis fund;

17 H. two million dollars (\$2,000,000) from the
18 corrective action fund;

19 I. four million dollars (\$4,000,000) from the rural
20 infrastructure revolving loan fund;

21 J. two million dollars (\$2,000,000) from the
22 college affordability endowment fund;

23 K. two million dollars (\$2,000,000) from the
24 student financial aid special programs fund of the higher
25 education department;

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1 L. two million dollars (\$2,000,000) from the local
2 government planning fund of the New Mexico finance authority;

3 M. five million three hundred thousand dollars
4 (\$5,300,000) from the water project fund of the New Mexico
5 finance authority;

6 N. two million five hundred thousand dollars
7 (\$2,500,000) from the drinking water state revolving loan fund
8 of the New Mexico finance authority; and

9 O. three million dollars (\$3,000,000) from the
10 primary care capital fund of the New Mexico finance authority.

11 SECTION 9. TRANSFER TO APPROPRIATION CONTINGENCY FUND.--

12 Notwithstanding any restriction on or use of money in the
13 executive order fund of the homeland security and emergency
14 management department, two million dollars (\$2,000,000) is
15 transferred from that fund to the appropriation contingency
16 fund of the general fund.

17 SECTION 10. TEMPORARY PROVISION--OUTSTANDING STATE
18 HIGHWAY REVENUE BONDS.--

19 A. Nothing in this act shall be deemed to impair
20 state highway revenue bonds previously issued by the state
21 transportation commission and outstanding on the effective date
22 of this act.

23 B. If required by the terms, covenants and
24 provisions of state highway revenue bonds previously issued by
25 the state transportation commission and outstanding on the

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1 effective date of this act, additional bonds issued by the
2 state transportation commission or the New Mexico finance
3 authority when directed by the state transportation commission
4 pursuant to this act shall contain any required terms,
5 covenants and provisions required to avoid impairment of the
6 previously issued bonds.

7 SECTION 11. REPEAL.--Laws 2020, Chapter 64, Sections 1
8 through 4 are repealed.

9 SECTION 12. EMERGENCY.--It is necessary for the public
10 peace, health and safety that this act take effect immediately.