

HOUSE TRANSPORTATION AND PUBLIC
WORKS COMMITTEE SUBSTITUTE FOR
HOUSE BILL 92

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52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015

AN ACT

RELATING TO CAPITAL EXPENDITURES; AUTHORIZING THE ISSUANCE OF
SEVERANCE TAX BONDS FOR TRANSPORTATION PROJECTS; PROVIDING FOR
DISTRIBUTION OF FUNDS TO THE DEPARTMENT OF TRANSPORTATION;
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 2016
through 2020 in compliance with the Severance Tax Bonding Act
in an amount not exceeding three hundred million dollars
(\$300,000,000) when the department of transportation certifies
the need for the issuance of the bonds; provided that no more
than sixty million dollars (\$60,000,000) may be issued in any
one fiscal year. The proceeds from the sale of the bonds are

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underscoring material = new
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1 appropriated to the department of transportation for the
2 purposes specified in Section 2 of this act. The state board
3 of finance shall schedule the issuance and sale of bonds in the
4 most expeditious and economical manner possible upon a finding
5 by the board, based upon the certification from the department
6 of transportation, that the proceeds of the bonds are needed
7 and that construction on the projects and acquisitions
8 designated pursuant to Section 2 of this act will begin within
9 a reasonable time after the bonds are sold. The state board of
10 finance shall further take the appropriate steps necessary to
11 comply with the federal Internal Revenue Code of 1986, as
12 amended. Any unexpended or unencumbered balance remaining at
13 the end of fiscal year 2024 shall revert to the severance tax
14 bonding fund. If the department of transportation has not
15 certified the need for the issuance of the bonds by the end of
16 fiscal year 2020, the authorization provided in this section
17 shall expire.

18 SECTION 2. DEPARTMENT OF TRANSPORTATION PROJECTS--
19 SEVERANCE TAX BONDS--PROJECT ACQUISITION.--

20 A. Pursuant to the provisions of Section 1 of this
21 act, the proceeds of the sale of the bonds are appropriated to
22 the department of transportation for the following purposes:

23 (1) ninety-five percent of the funds shall be
24 used for planning, design and construction of projects
25 identified and certified by the department of transportation as

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1 necessary to improve safety and reduce fatalities, maintain or
2 improve the condition of roadways and other transportation
3 infrastructure, promote economic development or mitigate
4 traffic congestion; and

5 (2) five percent of the funds shall be
6 dedicated to support the acquisition of facilities and vehicles
7 by county and municipal governments for public transportation
8 programs. The department of transportation shall establish
9 procedures for the distribution of these funds.

10 B. The department of transportation may use a
11 design-build project delivery system for projects over twenty-
12 five million dollars (\$25,000,000) for the planning,
13 environmental clearance, design, acquisition of rights of way,
14 new construction and reconstruction of projects.

15 **SECTION 3. EFFECTIVE DATE.**--The effective date of the
16 provisions of this act is July 1, 2015.

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