

1 SENATE BILL 249

2 **56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024**

3 INTRODUCED BY

4 Greg Nibert and Joseph Cervantes and George K. Muñoz
5 and Steven McCutcheon II
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10 AN ACT

11 RELATING TO THE OIL AND GAS RECLAMATION FUND; CHANGING A
12 DISTRIBUTION TO THE FUND TO A DOLLAR AMOUNT; REQUIRING MONEY
13 FROM FEDERAL SOURCES TO BE SEPARATELY ACCOUNTED FOR FROM OTHER
14 MONEY IN THE FUND AND TO BE EXPENDED BEFORE ANY OTHER MONEY IN
15 THE FUND; PROVIDING FOR A REVERSION OF THE BALANCE IN THE FUND.
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17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

18 SECTION 1. Section 7-1-6.21 NMSA 1978 (being Laws 1985,
19 Chapter 65, Section 7, as amended) is amended to read:

20 "7-1-6.21. DISTRIBUTION TO OIL AND GAS RECLAMATION
21 FUND.--

22 [~~A. With respect to any period for which the rate~~
23 ~~of the tax imposed by Section 7-30-4 NMSA 1978 is nineteen-~~
24 ~~hundredths percent]~~ A distribution pursuant to Section 7-1-6.20
25 NMSA 1978 shall be made to the oil and gas reclamation fund in

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1 an amount equal to [~~two-nineteenths of~~] five million dollars
2 (\$5,000,000) monthly from the net receipts attributable to the
3 tax imposed under the Oil and Gas Conservation Tax Act.

4 [~~B. With respect to any period for which the total~~
5 ~~rate of the tax imposed on oil by Section 7-30-4 NMSA 1978 is~~
6 ~~twenty-four hundredths percent, a distribution pursuant to~~
7 ~~Section 7-1-6.20 NMSA 1978 shall be made to the oil and gas~~
8 ~~reclamation fund in an amount equal to nineteen and seven-~~
9 ~~tenths percent of the net receipts attributable to the tax~~
10 ~~imposed under the Oil and Gas Conservation Tax Act.]"~~

11 SECTION 2. Section 70-2-37 NMSA 1978 (being Laws 1977,
12 Chapter 237, Section 4, as amended) is amended to read:

13 "70-2-37. OIL AND GAS RECLAMATION FUND CREATED--
14 DISPOSITION OF FUND.--

15 A. There is created the "oil and gas reclamation
16 fund". In addition to other sources, money in the fund may
17 consist of donations. All funds in the oil and gas reclamation
18 fund are appropriated to the energy, minerals and natural
19 resources department for use by the oil conservation division
20 in carrying out the provisions of the Oil and Gas Act.

21 B. Money from federal sources deposited in the fund
22 shall be separately accounted for from other money in the fund
23 and shall be expended before any other money in the fund.

24 C. Any unexpended or unencumbered balance of money
25 from nonfederal sources in the fund at the end of a fiscal year

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underscoring material = new
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1 shall revert to the general fund."

2 SECTION 3. EFFECTIVE DATE.--The effective date of the
3 provisions of this act is July 1, 2024.

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