A JOINT RESOLUTION

PROPOSING AN AMENDMENT TO ARTICLE 12, SECTION 7 OF THE
CONSTITUTION OF NEW MEXICO TO PROVIDE FOR ADDITIONAL ANNUAL
DISTRIBUTIONS OF THE PERMANENT SCHOOL FUND FOR ENHANCED
INSTRUCTION FOR STUDENTS AT RISK OF FAILURE, EXTENDING THE
SCHOOL YEAR, TEACHER COMPENSATION AND EARLY CHILDHOOD
EDUCATION; REQUIRING CONGRESSIONAL APPROVAL FOR DISTRIBUTIONS
FOR EARLY CHILDHOOD EDUCATION.

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

SECTION 1. It is proposed to amend Article 12, Section
7 of the constitution of New Mexico to read:

"A. As used in this section, "land grant permanent
funds" means the permanent school fund described in Article
12, Section 2 of this constitution and all other permanent
funds derived from lands granted or confirmed to the state by
the act of congress of June 20, 1910, entitled "An act to
enable the people of New Mexico to form a constitution and
state government and be admitted into the union on an equal
footing with the original states."

B. The land grant permanent funds shall be
invested by the state investment officer in accordance with
policy rules promulgated by the state investment council.

C. In making investments, the state investment
officer, under the supervision of the state investment
council, shall invest and manage the land grant permanent funds in accordance with the Uniform Prudent Investor Act.

D. The legislature may establish criteria for investing the land grant permanent funds if the criteria are enacted by a three-fourths' vote of the members elected to each house, but investment of the land grant permanent funds is subject to the following restrictions:

(1) not more than sixty-five percent of the book value of the land grant permanent funds shall be invested at any given time in corporate stocks;

(2) not more than ten percent of the voting stock of a corporation shall be held; and

(3) stocks eligible for purchase shall be restricted to those stocks of businesses listed upon a national stock exchange or included in a nationally recognized list of stocks.

E. All additions to the land grant permanent funds and all earnings, including interest, dividends and capital gains from investment of the land grant permanent funds shall be credited to the land grant permanent funds.

F. The annual distributions from the land grant permanent funds to the beneficiaries specified in the Ferguson Act and the Enabling Act shall be five percent of the average of the year-end market values of the land grant permanent funds for the immediately preceding five calendar years.
years.

G. In addition to the annual distributions made pursuant to Subsection F of this section, unless suspended pursuant to Subsection J of this section, an annual distribution of one and one-fourth percent of the average of the year-end market value of the permanent school fund for the immediately preceding five calendar years shall be made as provided in Subsection H of this section; provided that the additional distribution shall not be made in any fiscal year if the average of the year-end market values of the land grant permanent funds for the immediately preceding five calendar years is less than seventeen billion dollars ($17,000,000,000).

H. Unless suspended pursuant to Subsection G or J of this section, the additional distribution from the permanent school fund provided for in Subsection G of this section shall be as follows and as provided by law:

1. forty percent of the additional distribution shall be for the public school permanent fund beneficiary for enhanced instruction for students at risk of failure, extending the school year and public school teacher compensation; and

2. sixty percent of the additional distribution shall be for the provision of early childhood education.
I. As used in this section, "early childhood education" means nonsectarian and nondenominational education for children until they are eligible for kindergarten.

J. The legislature, by a three-fifths' vote of the members elected to each house, may suspend any additional distribution provided for in Subsection G of this section."

SECTION 2. The amendment proposed by this resolution shall be submitted to the people for their approval or rejection at the next general election or at any special election prior to that date that may be called for that purpose.

SECTION 3. The distribution provided for in Paragraph (2) of Subsection H of Section 7 of Article 12 of the constitution of New Mexico shall not become effective without the consent of congress.