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SENATE JOINT RESOLUTION 15

45TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2002

INTRODUCED BY

Michael S. Sanchez

A JOINT RESOLUTION

**PROPOSING TO AMEND ARTICLE 8, SECTION 10 OF THE CONSTITUTION
OF NEW MEXICO TO MAKE AN ADDITIONAL ANNUAL DISTRIBUTION FROM
THE SEVERANCE TAX PERMANENT FUND AND TO DEPOSIT THE MONEY INTO
THE WATER PROJECT FUND.**

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

**Section 1. It is proposed to amend Article 8, Section 10
of the constitution of New Mexico to read:**

**"A. There shall be deposited in a permanent trust
fund known as the "severance tax permanent fund" that part of
state revenue derived from excise taxes that have been or
shall be designated severance taxes imposed upon the severance
of natural resources within this state, in excess of that
amount that has been or shall be reserved by statute for the
payment of principal and interest on outstanding bonds to**

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1 which severance tax revenue has been or shall be pledged.
2 Money in the severance tax permanent fund shall be invested as
3 provided by law. The distributions from the fund authorized
4 in Subsection C of this section shall be appropriated by the
5 legislature as other general operating revenue is appropriated
6 for the benefit of the people of the state.

7 B. All additions to the fund and all earnings,
8 including interest, dividends and capital gains from
9 investment of the fund shall be credited to the corpus of the
10 fund.

11 C. Except as provided in Subsection D of this
12 section, the annual distributions from the fund shall be one
13 hundred two percent of the amount distributed in the
14 immediately preceding fiscal year until the annual
15 distributions equal four and seven-tenths percent of the
16 average of the year-end market values of the fund for the
17 immediately preceding five calendar years. Thereafter, the
18 amount of the annual distributions shall be four and
19 seven-tenths percent of the average of the year-end market
20 values of the fund for the immediately preceding five calendar
21 years.

22 D. Beginning with fiscal year 2004, in addition to
23 the distributions authorized in Subsection C of this section,
24 an annual distribution shall be made to the water project fund
25 in an amount equal to one percent of the average of the year-

1 end market values of the severance tax permanent fund for the
2 immediately preceding five calendar years.

3 [D.] E. The frequency and the time of the
4 distributions made pursuant to [~~Subsection C of~~] this section
5 shall be as provided by law. "

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