

1 HOUSE JOINT RESOLUTION 3

2 **53RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2018**

3 INTRODUCED BY

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10 A JOINT RESOLUTION

11 PROPOSING TO AMEND ARTICLE 8, SECTION 10 OF THE CONSTITUTION OF
12 NEW MEXICO TO REQUIRE AN ADDITIONAL DISTRIBUTION FROM THE
13 SEVERANCE TAX PERMANENT FUND FOR CRIMINAL JUSTICE AND PUBLIC
14 SAFETY PURPOSES, ONLY IF THE AVERAGE OF THE YEAR-END MARKET
15 VALUES OF THE FUND FOR THE IMMEDIATELY PRECEDING FIVE CALENDAR
16 YEARS IS AT LEAST FIVE BILLION DOLLARS (\$5,000,000,000) AND IF
17 THE LEGISLATURE PROVIDES BY LAW FOR THE USE OF THAT
18 DISTRIBUTION.

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

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

23 "A. There shall be deposited in a permanent trust
24 fund known as the "severance tax permanent fund" that part of
25 state revenue derived from excise taxes that have been or shall

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1 be designated severance taxes imposed upon the severance of
2 natural resources within this state, in excess of that amount
3 that has been or shall be reserved by statute for the payment
4 of principal and interest on outstanding bonds to which
5 severance tax revenue has been or shall be pledged. Money in
6 the severance tax permanent fund shall be invested as provided
7 by law. Distributions from the fund shall be appropriated by
8 the legislature as other general operating revenue is
9 appropriated for the benefit of the people of the state.

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

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

23 D. In addition to the distribution in Subsection C
24 of this section, if the average of the year-end market values
25 of the fund for the immediately preceding five calendar years

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1 is at least five billion dollars (\$5,000,000,000), an
2 additional annual distribution of one-half percent of the
3 average of the year-end market values of the fund for the
4 immediately preceding five calendar years shall be made to the
5 general fund. The additional annual distribution shall be used
6 only for those criminal justice and public safety purposes
7 specifically provided for by law to fund:

- 8 (1) education programs;
9 (2) law enforcement, district attorneys' and
10 public defenders' offices;
11 (3) courts;
12 (4) corrections facilities and programs;
13 (5) pretrial and post-trial services for
14 accused and convicted criminal offenders; and
15 (6) behavioral health and substance abuse
16 programs.

17 [~~D-~~] E. The frequency and the time of the
18 distributions made pursuant to Subsection C of this section
19 shall be as provided by law."

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