

1 SENATE BILL 401

2 **54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019**

3 INTRODUCED BY

4 Carlos R. Cisneros

5
6
7
8 FOR THE LEGISLATIVE FINANCE COMMITTEE

9
10 AN ACT

11 RELATING TO STATE REVENUE; DISTRIBUTING REVENUE IN EXCESS OF A
12 FIVE-YEAR AVERAGE OF MONEY RECEIVED BY THE STATE PURSUANT TO
13 THE FEDERAL MINERAL LEASING ACT TO THE TAX STABILIZATION
14 RESERVE.

15
16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

17 SECTION 1. [NEW MATERIAL] DISTRIBUTION--TAX STABILIZATION
18 RESERVE FROM PAYMENTS PURSUANT TO FEDERAL MINERAL LEASING
19 ACT.--

20 A. If, by June 30 of each fiscal year, the net
21 receipts for that fiscal year of the money received by the
22 state pursuant to the federal Mineral Leasing Act exceed the
23 annual average amount, the excess shall be distributed to the
24 tax stabilization reserve and attributed to that fiscal year.
25 If there is an excess amount, the distribution shall be made as

.211211.6

underscored material = new
~~[bracketed material] = delete~~

underscored material = new
[bracketed material] = delete

1 soon as practicable. If there is not an excess amount, no
2 distribution shall be made to the tax stabilization reserve.
3 The department of finance and administration shall make the
4 calculation to determine if an excess amount should be
5 distributed.

6 B. As used in this section, "annual average amount"
7 means the total net receipts attributable to money received by
8 the state pursuant to the federal Mineral Leasing Act in the
9 immediately preceding five fiscal years, divided by five.

10 SECTION 2. Section 22-8-34 NMSA 1978 (being Laws 1967,
11 Chapter 16, Section 90, as amended) is amended to read:

12 "22-8-34. FEDERAL MINERAL LEASING FUNDS.--

13 A. ~~[Except for an annual appropriation to the~~
14 ~~instructional material fund and to the bureau of geology and~~
15 ~~mineral resources of the New Mexico institute of mining and~~
16 ~~technology, and except as provided in Subsection B of this~~
17 ~~section, all other]~~ Money received by the state pursuant to the
18 provisions of the federal Mineral ~~[Lands]~~ Leasing Act ~~[30 USCA~~
19 ~~181, et seq.]~~ shall be distributed to the public school fund,
20 except as follows:

21 (1) an annual appropriation to the
22 instructional material fund;

23 (2) an annual appropriation to the bureau of
24 geology and mineral resources of the New Mexico institute of
25 mining and technology;

.211211.6

underscoring material = new
~~[bracketed material] = delete~~

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

(3) the distribution made pursuant to Subsection B of this section; and
(4) the distribution made pursuant to Section 1 of this 2019 act.

B. ~~[All]~~ Money received by the state as its share of a prepayment of royalties pursuant to 30 U.S.C. 1726(b), as that section may be amended or renumbered, shall be distributed as follows:

(1) a portion of the receipts, estimated by the taxation and revenue department to be equal to the amount that the state would have received as its share of royalties in the same fiscal year if the prepayment had not been made, shall be distributed to the public school fund; and

(2) the remainder shall be distributed to the common school permanent fund."

SECTION 3. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2020.