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HOUSE JOINT RESOLUTION 19

43RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1998

INTRODUCED BY

M. MICHAEL OLGUIN

A JOINT RESOLUTION

PROPOSING TO AMEND THE CONSTITUTION OF NEW MEXICO TO
TEMPORARILY POSTPONE DEPOSITS INTO THE SEVERANCE TAX PERMANENT
FUND IN ORDER TO FUND CAPITAL OUTLAY PROJECTS.

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:

(1) that amount that has been or shall be
reserved by statute for the payment of principal and interest
on outstanding bonds to which severance tax revenue has been

Underscored material = new
[bracketed material] = delete

1 or shall be pledged; and
2 (2) that amount received from severance taxes
3 after January 1, 1999 and before January 1, 2003 and
4 appropriated by the legislature for capital outlay projects.

5 B. Money in the severance tax permanent fund shall
6 be invested as provided by law. Distributions from the fund
7 shall be appropriated by the legislature as other general
8 operating revenue is appropriated for the benefit of the
9 people of the state.

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

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

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

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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 which may be called for that purpose.

1 FORTY-THIRD LEGISLATURE
2 SECOND SESSION, 1998
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6 February 7, 1998
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8 Mr. Speaker:
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10 Your VOTERS AND ELECTIONS COMMITTEE, to whom has
11 been referred
12

13 HOUSE JOINT RESOLUTION 19
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15 has had it under consideration and reports same with
16 recommendation that it DO PASS, and thence referred to the
17 TAXATION AND REVENUE COMMITTEE.

18 Respectfully submitted,
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22 _____
23 Edward C. Sandoval, Chairman
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25

FORTY-THIRD LEGISLATURE
SECOND SESSION, 1998

3 HVEC/HJR 19

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4 Adopted _____ Not Adopted _____

6 (Chief Clerk)

(Chief Clerk)

8 Date _____

10 The roll call vote was 7 For 0 Against

11 Yes: 7

12 Excused: Bird, Buffett, Lujan, Lutz, Sanchez

13 Absent: None

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