

SENATE FINANCE COMMITTEE SUBSTITUTE FOR
SENATE JOINT RESOLUTION 19

**44TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION,
2000**

A JOINT RESOLUTION

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF NEW MEXICO TO
INCREASE THE DISTRIBUTION FROM A STATE PERMANENT FUND FOR THE
PURPOSE OF FUNDING NEEDED PUBLIC SCHOOL CONSTRUCTION
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 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 or shall be

.132654.1

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

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1 pledged. Money in the severance tax permanent fund shall be
2 invested as provided by law. [~~Distributions from the fund~~
3 ~~shall be appropriated by the legislature as other general~~
4 ~~operating revenue is appropriated for the benefit of the~~
5 ~~people of the state.~~]

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

10 C. The annual distributions from the fund shall
11 be:

12 (1) to the general fund to be appropriated
13 by the legislature as other general operating revenue is
14 appropriated for the benefit of the people of this state, one
15 hundred two percent of the amount distributed to the general
16 fund in the immediately preceding fiscal year until the
17 annual distributions to the general fund equal four and
18 seven-tenths percent of the average of the year-end market
19 values of the fund for the immediately preceding five
20 calendar years. Thereafter, the amount of the annual
21 distributions to the general fund shall be four and
22 seven-tenths percent of the average of the year-end market
23 values of the fund for the immediately preceding five
24 calendar years;

25 (2) in calendar years 2001 through 2015, to
the public school capital outlay fund to be used exclusively
for public school capital outlay projects pursuant to a

1 formula established by law in which formula each school
 2 district shall have an opportunity to participate, one and
 3 one-half percent of the average of the year-end market values
 4 of the fund for the immediately preceding five calendar
 5 years. If, on January 1, 2001, there has been no such formula
 6 enacted into law, then, until such a formula is enacted into
 7 law, the public school capital outlay fund shall be used
 8 exclusively for public school capital outlay projects
 9 pursuant to the law existing on January 1, 2001, except that
 10 no project shall be determined ineligible for funding solely
 11 because of the level or amount of school district
 12 indebtedness; and

13 (3) in calendar year 2016 and subsequent
 14 calendar years, to the public school capital outlay fund to
 15 be used exclusively for public school capital outlay projects
 16 pursuant to criteria established by law, one percent of the
 17 average of the year-end market values of the fund for the
 18 immediately preceding five calendar years.

19 D. The frequency and the time of the distributions
 20 made pursuant to Paragraph (1) of Subsection C of this
 21 section shall be as provided by law. The distributions
 22 pursuant to Paragraphs (2) and (3) of Subsection C of this
 23 section shall be made monthly in an amount equal to one-
 24 twelfth of the required annual distribution for that year."

25 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

1 election prior to that date which may be called for that
2 purpose.

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