

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

HOUSE JOINT RESOLUTION 10

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

INTRODUCED BY

Gail C. Beam

FOR THE TOBACCO SETTLEMENT REVENUE OVERSIGHT COMMITTEE

A JOINT RESOLUTION

PROPOSING AN AMENDMENT TO ARTICLE 8 OF THE CONSTITUTION OF NEW MEXICO TO ESTABLISH A MASTER SETTLEMENT PERMANENT FUND AND A MASTER SETTLEMENT PROGRAM FUND CONSISTING OF MONEY DISTRIBUTED TO THE STATE PURSUANT TO THE MASTER SETTLEMENT AGREEMENT WITH TOBACCO PRODUCT MANUFACTURERS.

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

Section 1. It is proposed to amend Article 8 of the constitution of New Mexico by adding a new Section 16 to read:

"A. The "master settlement permanent fund" is created in the state treasury. The fund shall consist of money received by the state pursuant to the master settlement agreement entered into between tobacco product manufacturers and various states, including New Mexico, and executed November 23, 1998 or money released to the state from a

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

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

1 qualified escrow fund or otherwise paid to the state pursuant
2 to the master settlement agreement. Money in the fund shall
3 be invested by the state investment officer as land grant
4 permanent funds are invested. Income from investment of the
5 fund shall be credited to the fund. Money in the fund shall
6 not be expended for any purpose, but an annual distribution
7 shall be made to the master settlement program fund in
8 accordance with Subsection C of this section.

9 B. The "master settlement program fund" is created
10 in the state treasury and shall consist of distributions made
11 to the fund from the master settlement permanent fund. Income
12 from investment of the master settlement program fund shall be
13 credited to the fund. Distributions from the master
14 settlement program fund shall be appropriated as provided by
15 law.

16 C. On July 1 of each fiscal year, an annual
17 distribution shall be made from the master settlement
18 permanent fund to the master settlement program fund of an
19 amount equal to fifty percent of the total amount of money
20 paid into the master settlement permanent fund from the master
21 settlement agreement in the immediately preceding fiscal year
22 until that amount is less than an amount equal to a specified
23 percent of the average of the year-end market values of the
24 master settlement permanent fund for the immediately preceding
25 five calendar years. Thereafter, the amount of the annual

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

1 distribution shall be a specified percent of the average of
2 the year-end market values of the master settlement permanent
3 fund for the immediately preceding five calendar years. For
4 purposes of this section, the specified percent used shall be
5 the same percent used to calculate the distribution from the
6 land grant permanent fund.

7 D. Money credited to the tobacco settlement
8 permanent fund and the tobacco settlement program fund at the
9 time of the adoption of this amendment shall be credited to
10 and become a part of the permanent trust fund known as the
11 "master settlement permanent fund" and the "master settlement
12 program fund". "

13 Section 2. The amendment proposed by this resolution
14 shall be submitted to the people for their approval or
15 rejection at the next general election or at any special
16 election prior to that date that may be called for that
17 purpose.