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AN ACT

RELATING TO PUBLIC LANDS; ADDRESSING REFUNDS FOR ERRONEOUS
PAYMENTS; PROVIDING FOR LIMITATION OF ACTIONS; MAKING AN
APPROPRIATION.

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

Section 1. Section 19-7-59 NMSA 1978 (being Laws 1931,
Chapter 99, Section 1, as amended) is amended to read:

"19-7-59. REPAYMENT OF MONEY ERRONEOUSLY PAID ON LEASE
OR PURCHASE CONTRACT AFTER DISTRIBUTION.--

A. The duties, responsibilities and activities of
the commissioner of public lands and lessees of state trust
land and minerals set out in this section shall be performed
in a timely manner.

B. Money erroneously paid on account of a lease or
sale of state lands, which money is not carried in a suspense
fund but has been distributed to the proper income or
permanent fund, shall be repaid in the manner prescribed in
this section.

C. If the money erroneously paid was for royalty
due under a lease, then, subject to a subsequent audit by the
commissioner of public lands or the commissioner's agent, the
lessee may either request a refund or may recoup the money by
deducting an equivalent amount from subsequent royalty
payments due for the same lease and any other lease with the

1 same trust beneficiary; provided that if the amount
2 erroneously paid pursuant to this subsection is greater than
3 fifty thousand dollars (\$50,000) for a lease, no deduction
4 from subsequent payments shall be made without the prior
5 approval of the commissioner of public lands; and, provided
6 further that, no initial claim for recoupment shall be made
7 after six years from the date on which the initial royalty
8 obligation became due.

9 D. If the amount of money erroneously paid is less
10 than ten thousand dollars (\$10,000), then, after a claim for
11 a refund has been filed pursuant to Section 19-7-60 NMSA 1978
12 and approved by the commissioner of public lands, no court
13 action shall be necessary and a refund shall be made under
14 Section 19-7-62 or 19-7-63 NMSA 1978.

15 E. All other money erroneously paid shall be
16 refunded pursuant to the provisions of Sections 19-7-60
17 through 19-7-63 NMSA 1978."

18 Section 2. Section 19-7-60 NMSA 1978 (being Laws 1931,
19 Chapter 99, Section 2, as amended) is amended to read:

20 "19-7-60. CLAIM FOR REFUND--CONTENTS--TIME LIMIT--
21 NOTICE OF ERRONEOUS PAYMENT--LIMITATION OF ACTION.-- A person
22 claiming a refund under the provisions of Sections 19-7-59
23 through 19-7-63 NMSA 1978 shall file with the commissioner of
24 public lands a written claim for refund, stating the amount
25 claimed to have been erroneously paid and the reasons why

1 such payment was erroneously made. All claims for refund of
2 money shall be filed within ninety days after notice. If an
3 erroneous payment of any money is discovered by the
4 commissioner of public lands, notice of the discovery shall
5 be given by the commissioner of public lands, as soon after
6 the discovery as possible, by registered mail to the last
7 recorded address of the person making the erroneous payment.
8 A claim for a refund that is not filed with the commissioner
9 of public lands within six years from the date the erroneous
10 payment was made shall be forever barred; provided that if
11 notice of an erroneous payment is given less than ninety days
12 before the end of the six-year limitation, the period of time
13 to file a claim shall be extended beyond the six-year
14 limitation for the number of days necessary to provide ninety
15 days to file the claim."

16 Section 3. Section 19-7-62 NMSA 1978 (being Laws 1931,
17 Chapter 99, Section 4, as amended) is amended to read:

18 "19-7-62. ANNUAL APPROPRIATION FOR REFUNDS--PAYMENT
19 FROM STATE LANDS MAINTENANCE FUND.--There is appropriated
20 annually out of the state lands maintenance fund created by
21 Section 19-1-11 NMSA 1978 the sum of five hundred thousand
22 dollars (\$500,000) or such part thereof as may be necessary
23 for the purpose of making refunds of payments determined in
24 the manner provided by Sections 19-7-59 through 19-7-63 NMSA
25 1978 to have been erroneously collected; provided, however,

1 that any refund of money paid into any fund other than the
2 state lands maintenance fund shall be made only out of that
3 part of the state lands maintenance fund distributable to the
4 fund into which such payment was erroneously made, under the
5 provisions of Section 19-1-13 NMSA 1978."

6 Section 4. EFFECTIVE DATE.--The effective date of the
7 provisions of this act is July 1, 2007. _____

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