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HOUSE BILL 104

**51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014**

INTRODUCED BY

Miguel P. Garcia

AN ACT

RELATING TO LOW-INCOME HOME ENERGY ASSISTANCE; PROVIDING FOR DISTRIBUTIONS FROM THE EXTRACTION TAXES SUSPENSE FUND FOR LOW-INCOME HOME ENERGY ASSISTANCE IF NET RECEIPTS FROM THE OIL AND GAS EMERGENCY SCHOOL TAX EXCEED CERTAIN AMOUNTS; CREATING A FUND; MAKING AN APPROPRIATION.

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

SECTION 1. Section 7-1-6.20 NMSA 1978 (being Laws 1985, Chapter 65, Section 6, as amended) is amended to read:

"7-1-6.20. IDENTIFICATION OF MONEY IN EXTRACTION TAXES SUSPENSE FUND--DISTRIBUTION.--

A. Except as provided in Subsection B of this section, after the necessary disbursements have been made from the extraction taxes suspense fund, the money remaining in the suspense fund as of the last day of the month shall be

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1 identified by tax source and distributed or transferred in  
2 accordance with the provisions of Sections 7-1-6.21 through  
3 7-1-6.23 and 7-1-6.61 NMSA 1978. After the necessary  
4 distributions and transfers, any balance, except for  
5 remittances unidentified as to source or disposition, shall be  
6 transferred to the general fund.

7 B. Payments on assessments issued by the department  
8 pursuant to the Oil and Gas Conservation Tax Act, the Oil and  
9 Gas Emergency School Tax Act, the Oil and Gas Ad Valorem  
10 Production Tax Act and the Oil and Gas Severance Tax Act shall  
11 be held in the extraction taxes suspense fund until the  
12 secretary determines that there is no substantial risk of  
13 protest or other litigation, whereupon after the necessary  
14 disbursements have been made from the extraction taxes suspense  
15 fund, the money remaining in the suspense fund as of the last  
16 day of the month attributed to these payments shall be  
17 identified by tax source and distributed or transferred in  
18 accordance with the provisions of Sections 7-1-6.21 through  
19 7-1-6.23 and 7-1-6.61 NMSA 1978. After the necessary  
20 distributions and transfers, any balance, except for remittance  
21 unidentified as to source or disposition, shall be transferred  
22 to the general fund."

23 SECTION 2. A new section of the Tax Administration Act,  
24 Section 7-1-6.61 NMSA 1978, is enacted to read:

25 "7-1-6.61. [NEW MATERIAL] DISTRIBUTION TO LOW-INCOME HOME  
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1 ENERGY ASSISTANCE FUND.--

2 A. A distribution pursuant to Section 7-1-6.20 NMSA  
3 1978 shall be made to the low-income home energy assistance  
4 fund in an amount equal to twenty percent of the monthly  
5 calculation amount less the cumulative amount that has been  
6 distributed pursuant to this section in the current fiscal year  
7 to date.

8 B. For the purposes of this section:

9 (1) "monthly calculation amount" means the  
10 amount equal to the net receipts in the current fiscal year to  
11 date attributable to the tax imposed pursuant to the Oil and  
12 Gas Emergency School Tax Act less the base amount for the  
13 current fiscal year; provided that if the calculation results  
14 in a negative number, the monthly calculation amount for that  
15 month shall be zero; and

16 (2) "base amount for the current fiscal year"  
17 means the net receipts attributable to the taxes paid pursuant  
18 to the Oil and Gas Emergency School Tax Act in fiscal year 2011  
19 multiplied by a fraction, the denominator of which is the  
20 consumer price index for calendar year 2011 for the United  
21 States for all urban consumers, all items, as published by the  
22 United States department of labor, and the numerator of which  
23 is the same index for the calendar year preceding July 1 of the  
24 current fiscal year."

25 SECTION 3. [NEW MATERIAL] LOW-INCOME HOME ENERGY

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1 ASSISTANCE FUND CREATED--APPROPRIATION.--

2 A. The "low-income home energy assistance fund" is  
3 created in the state treasury. The fund consists of money  
4 appropriated and transferred to the fund and tax revenues  
5 distributed to the fund by law. Earnings of the fund shall be  
6 credited to the fund. Balances in the fund shall not revert at  
7 the end of a fiscal year.

8 B. Eighty percent of the money in the low-income  
9 home energy assistance fund is appropriated to the human  
10 services department for expenditure for the low-income home  
11 energy assistance program. Money in the fund shall be  
12 disbursed by warrant of the secretary of finance and  
13 administration pursuant to vouchers signed by the secretary of  
14 human services or the secretary's designee.

15 C. Twenty percent of the money in the low-income  
16 home energy assistance fund is appropriated to the department  
17 of finance and administration for the New Mexico mortgage  
18 finance authority to provide for weatherization of homes  
19 eligible for low-income home energy assistance programs. No  
20 more than five percent of this appropriation shall be used by  
21 the New Mexico mortgage finance authority for administrative  
22 expenses.