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SENATE BILL

55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021

INTRODUCED BY

Elizabeth "Liz" Stefanics

ENDORSED BY THE LAND GRANT COMMITTEE

AN ACT

RELATING TO GOVERNMENT FINANCING; CREATING THE LAND GRANT-MERCED ASSISTANCE FUND; PRESCRIBING DUTIES; PROVIDING FOR DISTRIBUTIONS; MAKING AN APPROPRIATION.

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

SECTION 1. A new section of the Tax Administration Act is enacted to read:

"~~[NEW MATERIAL]~~ DISTRIBUTION--LAND GRANT-MERCED ASSISTANCE FUND.--A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the land grant-merced assistance fund in an amount equal to five-hundredths percent of the net receipts attributable to the gross receipts tax after distributions have been made pursuant to Sections 7-1-6.46 and 7-1-6.47 NMSA 1978."

SECTION 2. A new section of Chapter 49 NMSA 1978 is .218540.1SA

underscored material = new
[bracketed material] = delete

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

1 enacted to read:

2 "[NEW MATERIAL] LAND GRANT-MERCED ASSISTANCE FUND
3 CREATED--DISTRIBUTION.--

4 A. The "land grant-merced assistance fund" is
5 created in the state treasury and shall be administered by the
6 department of finance and administration. The fund consists of
7 gifts, grants, donations, appropriations to the fund and
8 distributions to the fund made pursuant to the Tax
9 Administration Act.

10 B. On or before September 1, 2021 and on or before
11 September 1 of each subsequent year, the state auditor shall
12 certify in writing to the department of finance and
13 administration the land grants-mercedes that are in compliance
14 with the Audit Act and the category of compliance required for
15 each land grant-merced pursuant to Subsection B of Section
16 12-6-3 NMSA 1978 and distributions pursuant to Subsections C
17 and D of this section.

18 C. An assistance-qualified land grant-merced with
19 an annual revenue, calculated on a cash basis of accounting,
20 exclusive of capital outlay funds or federal or private grants
21 disbursed directly by an administrating agency or previous year
22 distributions from the land grant-merced assistance fund, shall
23 receive an annual distribution amount starting in fiscal year
24 2022 and continuing in each subsequent fiscal year in
25 accordance with the following:

.218540.1SA

underscoring material = new
[bracketed material] = delete

1 (1) less than fifty thousand dollars
2 (\$50,000), the assistance-qualified land grant-merced shall
3 receive a full distribution;

4 (2) at least fifty thousand dollars (\$50,000)
5 but not more than two hundred fifty thousand dollars
6 (\$250,000), the assistance-qualified land grant-merced shall
7 receive seventy-five percent of a full distribution;

8 (3) at least two hundred fifty thousand
9 dollars (\$250,000) but not more than five hundred thousand
10 dollars (\$500,000), the assistance-qualified land grant-merced
11 shall receive fifty percent of a full distribution; and

12 (4) five hundred thousand dollars (\$500,000)
13 or more, the assistance-qualified land grant-merced shall
14 receive twenty-five percent of a full distribution.

15 D. On or before September 30, 2021 and on or before
16 September 30 of each subsequent year, the state treasurer shall
17 distribute to each assistance-qualified land grant-merced the
18 amount certified pursuant to Subsections B and C of this
19 section. If the balance in the fund as of the preceding June
20 30 exceeds the sum of certified amounts distributed, the
21 difference shall revert to the general fund.

22 E. As used in this section:

23 (1) "assistance-qualified land grant-merced"
24 means a land grant-merced that has a board of trustees that has
25 been elected pursuant to the requirements of Chapter 49,

.218540.1SA

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

1 Article 1 or 4 NMSA 1978 and that is in compliance with the
2 Audit Act; and

3 (2) "full distribution" means an amount equal
4 to the annual amount of money in the land grant-merced
5 assistance fund at the start of a fiscal year divided by the
6 total number of assistance-qualified land grants-mercedes
7 certified by the state auditor for that fiscal year pursuant to
8 this section."

9 SECTION 3. EFFECTIVE DATE.--The effective date of the
10 provisions of this act is July 1, 2021.