

1 SENATE BILL 135

2 **55TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2022**

3 INTRODUCED BY

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10 AN ACT

11 RELATING TO STATE FUNDS; LIMITING TRANSFERS OF CERTAIN EXCESS
12 REVENUE TO THE GENERAL FUND OPERATING RESERVE IF THE BALANCE OF
13 THE TAX STABILIZATION RESERVE IS GREATER THAN TWENTY PERCENT OF
14 THE AGGREGATE RECURRING APPROPRIATIONS.

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

17 SECTION 1. Section 6-4-4 NMSA 1978 (being Laws 1987,
18 Chapter 347, Section 4, as amended) is amended to read:

19 "6-4-4. TRANSFERS BETWEEN GENERAL FUND RESERVES.--

20 A. [~~For the seventy-seventh and subsequent fiscal~~
21 ~~years~~] If the revenues of the general fund exceed the total of
22 appropriations from the general fund, the excess revenue shall
23 be transferred to the general fund operating reserve; provided
24 that:

25 (1) if the sum of the excess revenue plus the

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underscored material = new
[bracketed material] = delete

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

1 balance in the general fund operating reserve prior to the
2 transfer is greater than eight percent of the aggregate
3 recurring appropriations from the general fund for the previous
4 fiscal year, then an amount equal to the smaller of either the
5 amount of the excess revenue or the difference between the sum
6 and eight percent of the aggregate recurring appropriations
7 from the general fund for the previous fiscal year shall be
8 transferred to the tax stabilization reserve; and

9 (2) if, prior to the transfer, the balance of
10 the tax stabilization reserve at the end of the fiscal year is
11 greater than twenty percent of the aggregate recurring
12 appropriations for that fiscal year from the general fund, as
13 determined by the department of finance and administration, no
14 transfer pursuant to this subsection shall be made.

15 B. If the balance in the general fund operating
16 reserve as of the end of a fiscal year is less than one percent
17 of aggregate general fund appropriations for that fiscal year,
18 as determined by the department of finance and administration,
19 then an amount equal to the smaller of either one percent of
20 aggregate general fund appropriations for that fiscal year or
21 the amount necessary to bring the balance of the general fund
22 operating reserve to one percent of aggregate general fund
23 appropriations for that fiscal year shall be transferred from
24 the tax stabilization reserve to the general fund operating
25 reserve."

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