

SENATE CONSERVATION COMMITTEE SUBSTITUTE FOR  
SENATE BILL 249

56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024

AN ACT

RELATING TO THE OIL AND GAS RECLAMATION FUND; CHANGING A  
DISTRIBUTION TO THE FUND TO A DOLLAR AMOUNT; PROVIDING FOR A  
REVERSION OF A CERTAIN AMOUNT OF THE BALANCE IN THE FUND.

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

SECTION 1. Section 7-1-6.21 NMSA 1978 (being Laws 1985,  
Chapter 65, Section 7, as amended) is amended to read:

"7-1-6.21. DISTRIBUTION TO OIL AND GAS RECLAMATION  
FUND.--

~~[A. With respect to any period for which the rate  
of the tax imposed by Section 7-30-4 NMSA 1978 is nineteen-  
hundredths percent]~~ A distribution pursuant to Section 7-1-6.20  
NMSA 1978 shall be made to the oil and gas reclamation fund in  
an amount equal to ~~[two-nineteenths of]~~ five million dollars  
(\$5,000,000) monthly from the net receipts attributable to the

.228056.2

underscored material = new  
[bracketed material] = delete

1 tax imposed under the Oil and Gas Conservation Tax Act.

2 ~~[B. With respect to any period for which the total~~  
3 ~~rate of the tax imposed on oil by Section 7-30-4 NMSA 1978 is~~  
4 ~~twenty-four hundredths percent, a distribution pursuant to~~  
5 ~~Section 7-1-6.20 NMSA 1978 shall be made to the oil and gas~~  
6 ~~reclamation fund in an amount equal to nineteen and seven-~~  
7 ~~tenths percent of the net receipts attributable to the tax~~  
8 ~~imposed under the Oil and Gas Conservation Tax Act.]"~~

9 SECTION 2. Section 70-2-37 NMSA 1978 (being Laws 1977,  
10 Chapter 237, Section 4, as amended) is amended to read:

11 "70-2-37. OIL AND GAS RECLAMATION FUND CREATED--  
12 DISPOSITION OF FUND.--

13 A. There is created the "oil and gas reclamation  
14 fund". In addition to other sources, money in the fund may  
15 consist of donations. All funds in the oil and gas reclamation  
16 fund are appropriated to the energy, minerals and natural  
17 resources department for use by the oil conservation division  
18 in carrying out the provisions of the Oil and Gas Act.

19 B. Any unexpended or unencumbered balance of money  
20 greater than eighty million dollars (\$80,000,000) remaining in  
21 the fund at the end of a fiscal year shall revert to the  
22 general fund."

23 SECTION 3. EFFECTIVE DATE.--The effective date of the  
24 provisions of this act is July 1, 2024.