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HOUSE BILL

54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019

INTRODUCED BY

ENDORSED BY THE INVESTMENTS AND PENSIONS OVERSIGHT COMMITTEE

AN ACT

RELATING TO PUBLIC FINANCE; PROVIDING FOR THE INVESTMENT OF MONEY IN THE TAX STABILIZATION RESERVE BY THE STATE INVESTMENT OFFICER.

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

SECTION 1. Section 6-4-2.2 NMSA 1978 (being Laws 1987, Chapter 347, Section 3, as amended) is amended to read:

"6-4-2.2. GENERAL FUND TAX STABILIZATION RESERVE.--

A. There is created within the general fund the "tax stabilization reserve".

B. The ~~[balance of the]~~ tax stabilization reserve ~~[shall be those funds]~~ consists of money directed or appropriated to it by law and [such other funds as the legislature may appropriate from time to time to the reserve] all income from investment of the reserve. Money in the

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

underscored material = new  
[bracketed material] = delete

1 reserve shall be invested by the state investment officer.

2 C. Except as otherwise provided in Subsection D of  
3 this section, any balance of the tax stabilization reserve may  
4 be:

5 (1) appropriated only by a [~~two-thirds~~] two-  
6 thirds' majority vote of both houses of the legislature  
7 following receipt by the legislature of a declaration of the  
8 governor that such an appropriation is necessary for the public  
9 peace, health and safety; or

10 (2) expended by the governor only:

11 (a) pursuant to an appropriation made by  
12 a [~~two-thirds~~] two-thirds' majority vote of both houses of the  
13 legislature specifying the amount of the appropriation and the  
14 purpose of the expenditure; and

15 (b) if the governor declares that the  
16 expenditure is necessary for the public peace, health and  
17 safety.

18 D. [~~In the event that the~~] If general fund  
19 revenues, including all transfers to the general fund  
20 authorized by law, are projected by the governor to be  
21 insufficient either to meet the level of appropriations  
22 authorized by law from the general fund for the current fiscal  
23 year or to meet the level of appropriations recommended in the  
24 budget and appropriations bill submitted in accordance with  
25 Section 6-3-21 NMSA 1978 for the next fiscal year, the balance

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underscored material = new  
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1 in the tax stabilization reserve may be appropriated by the  
2 legislature up to the amount of the projected insufficiency for  
3 either or both fiscal years."

4 SECTION 2. EFFECTIVE DATE.--The effective date of the  
5 provisions of this act is July 1, 2019.