

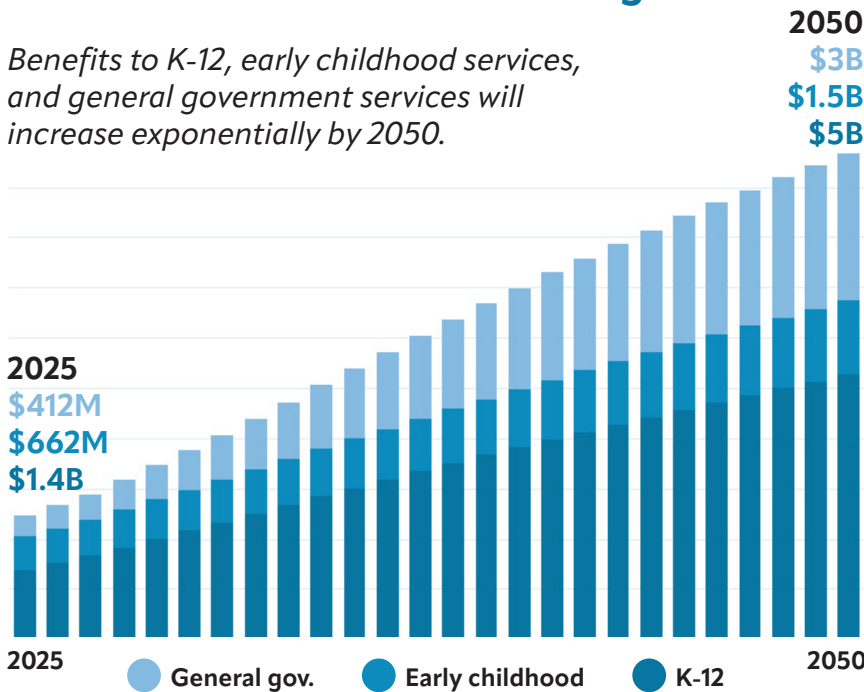
Impact on the State

Established by New Mexicans in 1958, the New Mexico State Investment Council (NMSIC) is among the largest sovereign wealth funds in the U.S. Our team grows revenue resulting from oil and gas, a nonrenewable resource, into a renewable funding source that delivers benefits today and will serve the state for generations to come.

Today, we oversee more than
\$67B
 in permanent, endowment, & reserve funds for New Mexico.

Distributions will continue to grow

Benefits to K-12, early childhood services, and general government services will increase exponentially by 2050.



Funds benefit New Mexicans today

\$2.6B sent back to the state in FY25

\$3K resulting tax savings per household

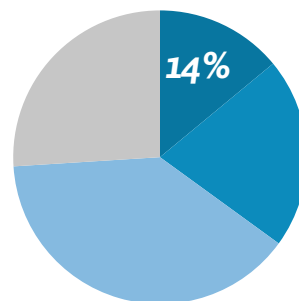
\$38B to be sent to the state over the next 10 years

Protecting New Mexico's future

General fund revenues from oil and gas will decline as the world transitions to renewable energy resources. Permanent fund distributions will increase to provide a much higher portion of general fund revenue.

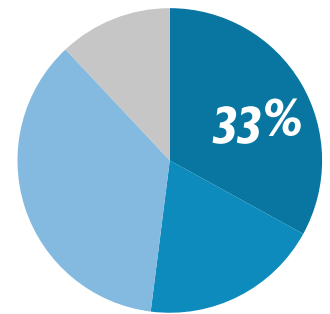
We project that by 2050 the NMSIC's distributions back to the state will be an entire third of the state's revenue, providing the stability needed for long-term planning.

FY 2026



- Permanent Funds (14%)
- Income Taxes (21%)
- Sales Taxes (39%)
- Severance Taxes, Rates, Royalties, Other (26%)

FY 2050



- Permanent Funds (33%)
- Income Taxes (19%)
- Sales Taxes (36%)
- Severance Taxes, Rates, Royalties, Other (12%)

New Mexico's assets

The Land Grant Permanent Fund (LGPF) established in 1912, receives royalties for mineral production on state trust lands. Oil and gas revenues make up about 99% of contributions.

The LGPF itself is made up of 21 unique funds benefiting public entities. The Permanent School Fund has the largest share at 90%.

Public schools will receive

\$1.3B

in LGPF distributions in FY25.

The Severance Tax Permanent Fund (STPF) distributes to the general fund. Created in 1973, receives severance taxes not used for bonding capacity or to repay capital outlay projects. In FY25, the fund will receive excess oil and gas taxes and federal mineral leasing revenues.

The Early Childhood Trust Fund (ECTF) appropriated in 2020, receives oil and gas tax revenue and federal mineral leasing payments.

Funding universal childcare

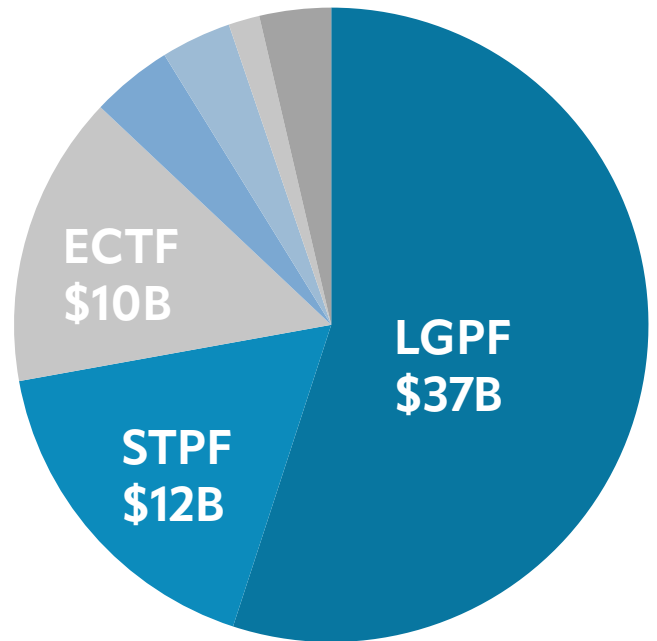
New Mexico will become the first state in the nation to guarantee no-cost universal childcare starting in November 2025, paid for through the Early Childhood Trust Fund.

Appropriated in 2020 at

\$300M

Today, ECTF is valued at

\$10B



Other funds we oversee

Tax Stabilization Reserve Fund **\$2B**

Higher Education Trust Fund **\$1B**

Capital Development & Reserve Fund **\$607M**

Tobacco Settlement Permanent Fund **\$425M**

Conservation Legacy Permanent Fund **\$375M**

Water Trust Fund **\$216M**

Opioid Settlement Restricted Fund **\$119M**

Behavioral Health Trust Fund **\$100M**

Rural Libraries Endowment Fund **\$35M**

Workforce Development & Apprenticeship Trust Fund **\$22M**

Medicaid Trust Fund **TBD**

By 2032 assets will be valued at

\$100B