

1 HOUSE JOINT RESOLUTION 9

2 **49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009**

3 INTRODUCED BY

4 Thomas C. Taylor

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10 A JOINT RESOLUTION

11 PROPOSING AN AMENDMENT TO ARTICLE 4 OF THE CONSTITUTION OF NEW
12 MEXICO TO LIMIT THE LEGISLATURE'S ABILITY TO INCREASE STATE
13 EXPENDITURES.

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15 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

16 Section 1. It is proposed to amend Article 4 of the
17 constitution of New Mexico by adding a new section to read:

18 "A. For a fiscal year beginning on or after July 1,
19 2011, the legislature during its regular session prior to the
20 beginning of the fiscal year shall set an expenditure limit:

21 (1) in an amount calculated pursuant to this
22 subsection to limit the expenditure increase in the following
23 fiscal year to no more than the expenditure limit of the prior
24 fiscal year plus the following amount:

25 (a) the percent increase in the

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1 population of New Mexico in the most recent prior calendar year
2 for which there is population data available, as estimated
3 annually by the bureau of business and economic research
4 located at the university of New Mexico, multiplied by the
5 prior fiscal year's expenditure limit; plus

6 (b) the product of three and six-tenths
7 percent multiplied by the prior fiscal year's expenditure
8 limit; and

9 (2) that includes:

10 (a) an operating reserve of no less than
11 ten percent of the expenditure limit from funds deposited in
12 the state general fund and from no other fund in the state
13 treasury or otherwise under state control that may be
14 appropriated pursuant to standards established in law for
15 expenditure in economic emergencies; and

16 (b) an extraordinary operating reserve
17 of four percent in addition to the operating reserve described
18 in Subparagraph (a) of this paragraph that may be used only:

19 1) if current fiscal year revenues fall below the prior fiscal
20 year revenues, as determined by the consensus revenue
21 estimating group, the members of which are economists from the
22 executive branch and legislative branch; and 2) after the
23 legislature has voted by a two-thirds' majority vote of the
24 total membership to appropriate money from the extraordinary
25 operating reserve for use.

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1 B. In a fiscal year in which the revenues as
2 determined prior to or during the legislative session by the
3 consensus revenue estimating group fall more than five percent
4 below revenues from the prior fiscal year, the legislature
5 shall determine the expenditure limit based on an average of
6 the expenditure limits of the five fiscal years immediately
7 prior to the fiscal year in which the expenditure limit is
8 being determined.

9 C. For fiscal year 2012, the legislature shall set
10 an expenditure limit during the first session of the fiftieth
11 legislature by adding to the expenditures made in fiscal year
12 2010, an amount equal to:

13 (1) the percent increase in the population of
14 New Mexico in the most recent prior calendar year for which
15 there is population data available, as estimated annually by
16 the bureau of business and economic research located at the
17 university of New Mexico, multiplied by the total expenditures
18 from the general fund made in fiscal year 2010; plus

19 (2) the product of three and six-tenths
20 percent multiplied by the total expenditures from the general
21 fund made in fiscal year 2010.

22 D. One hundred percent of the unexpended or
23 unencumbered balance in the general fund on June 30 of fiscal
24 year 2012 or any subsequent fiscal year in excess of the
25 expenditure limit set annually by the legislature for that

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1 fiscal year pursuant to this section shall be distributed to
2 the severance tax permanent fund."

3 Section 2. The amendment proposed by this resolution
4 shall be submitted to the people for their approval or
5 rejection at the next general election or at any special
6 election prior to that date that may be called for that
7 purpose.