

1 SENATE CORPORATIONS AND TRANSPORTATION COMMITTEE SUBSTITUTE FOR
2 SENATE BILL 413

3 **53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017**

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10 AN ACT

11 RELATING TO OIL AND GAS; AMENDING A SECTION OF THE OIL AND GAS
12 ACT TO LIMIT USE OF THE OIL AND GAS RECLAMATION FUND FOR AGENCY
13 SALARIES.

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

16 SECTION 1. Section 70-2-37 NMSA 1978 (being Laws 1977,
17 Chapter 237, Section 4, as amended) is amended to read:

18 "70-2-37. OIL AND GAS RECLAMATION FUND CREATED--
19 DISPOSITION OF FUND.--There is created the "oil and gas
20 reclamation fund". In addition to other sources, money in the
21 fund may consist of donations. All funds in the oil and gas
22 reclamation fund are appropriated to the energy, minerals and
23 natural resources department for use by the oil conservation
24 division in carrying out the provisions of the Oil and Gas Act.
25 The primary purpose of the oil and gas reclamation fund is to

.207980.1

underscored material = new
[bracketed material] = delete

1 pay for contract services for plugging, remediation and
2 associated restoration work. Any use of the oil and gas
3 reclamation fund for division employee salaries shall be
4 limited to the following percentages of the annual distribution
5 to the oil and gas reclamation fund in each fiscal year by the
6 tax imposed by Section 7-30-4 NMSA 1978:

7 A. beginning in fiscal year 2020 and prior to
8 fiscal year 2021, use of the oil and gas reclamation fund for
9 division employee salaries shall not exceed forty-five percent;

10 B. beginning in fiscal year 2021 and prior to
11 fiscal year 2022, use of the oil and gas reclamation fund for
12 division employee salaries shall not exceed thirty-five
13 percent;

14 C. beginning in fiscal year 2022 and prior to
15 fiscal year 2023, use of the oil and gas reclamation fund for
16 division employee salaries shall not exceed twenty-five
17 percent; and

18 D. beginning in fiscal year 2023 and each fiscal
19 year thereafter, use of the oil and gas reclamation fund for
20 division employee salaries shall not exceed fifteen percent."