AN ACT

RELATING TO CONSERVATION; CREATING THE CONSERVATION LEGACY
PERMANENT FUND; CREATING THE LAND OF ENCHANTMENT LEGACY FUND;
INCLUDING THE CONSERVATION LEGACY PERMANENT FUND IN THE
PERMANENT FUNDS INVESTED BY THE STATE INVESTMENT COUNCIL.

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

SECTION 1. Section 6-8-1 NMSA 1978 (being Laws 1957,
Chapter 179, Section 1, as amended) is amended to read:

"6-8-1. DEFINITIONS.--As used in Chapter 6, Article 8
NMSA 1978:

A. "council" means the state investment council;
B. "department" means the department of finance
and administration;
C. "land grant permanent funds" means the
permanent school fund established by Article 12, Section 2 of
the constitution of New Mexico and all other permanent funds
derived from lands granted or confirmed to the state by the
act of congress of June 20, 1910, entitled "An Act to enable
the people of New Mexico to form a constitution and state
government and be admitted into the Union on an equal footing
with the original States...";
D. "permanent funds" means the land grant
permanent funds, rural libraries endowment fund, severance
tax permanent fund, tobacco settlement permanent fund,
conservation legacy permanent fund and water trust fund;

E. "secretary" means the secretary of finance and administration;

F. "severance tax permanent fund" means the fund established by Article 8, Section 10 of the constitution of New Mexico;

G. "tobacco settlement permanent fund" means the fund established by Section 6-4-9 NMSA 1978; and

H. "water trust fund" means the fund established by Article 16, Section 6 of the constitution of New Mexico."

SECTION 2. A new section of Chapter 75 NMSA 1978 is enacted to read:

"CONSERVATION LEGACY PERMANENT FUND--CREATED--INVESTMENT--DISTRIBUTION.--

A. The "conservation legacy permanent fund" is created as a nonreverting fund in the state treasury. The fund consists of distributions, appropriations, gifts, grants, donations and income from investment of the fund. Money in the fund shall be invested by the state investment officer with the same risk and return profile as land grant permanent funds are invested pursuant to Chapter 6, Article 8 NMSA 1978. Earnings from investment of the fund shall be credited to the fund. Money in the fund shall be expended only as provided by this section.

B. If, on July 1 of each year, the conservation
legacy permanent fund exceeds one hundred fifty million dollars ($150,000,000) and the investment income to the fund for the previous fiscal year exceeded five million dollars ($5,000,000), any investment income to the fund from the previous fiscal year in excess of five million dollars ($5,000,000) shall be distributed to the land of enchantment legacy fund."

SECTION 3. A new section of Chapter 75 NMSA 1978 is enacted to read:

"LAND OF ENCHANTMENT LEGACY FUND--CREATED--DISTRIBUTION.--

A. The "land of enchantment legacy fund" is created as a nonreverting fund in the state treasury. The fund consists of distributions, appropriations, gifts, grants, donations and bequests made to the fund. The department of finance and administration shall administer the fund. Any interest earned by the land of enchantment legacy fund shall be credited to the fund. Money in the fund shall be distributed and expended only as provided in this section.

B. On July 1, 2024 and on July 1 of each year thereafter, the department of finance and administration shall make an annual distribution from the land of enchantment legacy fund in an amount that is the greater of twelve million five hundred thousand dollars ($12,500,000) or twenty-five percent of the total balance of the land of
enchantment legacy fund; provided that, if the total balance
in the fund is less than twelve million five hundred thousand
dollars ($12,500,000), the annual distribution shall be the
total fund balance. The annual distribution shall be
distributed as follows:

(1) twenty-two and one-half percent shall be
distributed to the energy, minerals and natural resources
department, of which:

(a) fifty percent shall be allocated to
the forestry division of the energy, minerals and natural
resources department to carry out: 1) projects and programs
pursuant to the Forest Conservation Act; 2) forest and
watershed management projects; 3) approved projects pursuant
to the Forest and Watershed Restoration Act; and 4) projects
and programs pursuant to the Prescribed Burning Act; and

(b) fifty percent shall be allocated
for projects pursuant to the Natural Heritage Conservation
Act;

(2) twenty-two and one-half percent shall be
distributed to the board of regents of New Mexico state
university for the New Mexico department of agriculture to
carry out programs and projects pursuant to the Noxious Weed
Management Act, the Healthy Soil Act and the Soil and Water
Conservation District Act;

(3) ten percent shall be distributed to the
department of environment to plan, design and construct projects to improve surface water quality and river habitat statewide;

(4) fifteen percent shall be distributed to the economic development department, of which:

   (a) twenty-five percent shall be allocated to the New Mexico outdoor recreation division of the economic development department to carry out projects under the outdoor equity grant program; and

   (b) seventy-five percent shall be allocated to the New Mexico outdoor recreation division for special projects and outdoor recreation infrastructure;

(5) eight percent shall be distributed to the cultural affairs department to carry out projects and programs pursuant to the Cultural Properties Protection Act; and

(6) twenty-two percent shall be distributed to the department of game and fish to carry out projects and programs for the protection and propagation of game and fish.

C. Any unencumbered balances from distributions made pursuant to Subsection B of this section shall revert to the land of enchantment legacy fund at the end of the fiscal year following the fiscal year in which the funds were distributed.

D. Distributions made pursuant to this section
shall not be used for the purposes of eminent domain."