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HOUSE BILL 88

57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

INTRODUCED BY

Matthew McQueen

FOR THE LAND GRANT COMMITTEE

AN ACT

RELATING TO LAND GRANTS; AMENDING THE LAND GRANT-MERCED ASSISTANCE FUND TO CHANGE THE REQUIREMENT THRESHOLDS FOR FULL AND SEVENTY-FIVE PERCENT DISTRIBUTIONS FROM THE FUND; MAKING THE LAND GRANT-MERCED ASSISTANCE FUND NONREVERTING; MAKING TECHNICAL CHANGES.

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

SECTION 1. Section 49-11-6 NMSA 1978 (being Laws 2022, Chapter 32, Section 2) is amended to read:

"49-11-6. LAND GRANT-MERCED ASSISTANCE FUND CREATED-- DISTRIBUTION.--

A. The "land grant-merced assistance fund" is created as a nonreverting fund in the state treasury and shall be administered by the department of finance and administration. The fund consists of gifts, grants, donations,

.232275.1

1 appropriations to the fund and distributions to the fund made
2 pursuant to the Tax Administration Act.

3 B. On or before [~~September 1, 2023 and on or~~
4 ~~before~~] September 1 of each [~~subsequent~~] year, the state
5 auditor shall provide a list to the land grant council of the
6 land grants-mercedes that are in compliance with the Audit Act
7 and the category of compliance required for each land grant-
8 merced pursuant to Subsection B of Section 12-6-3 NMSA 1978.

9 C. Within thirty days of the receipt of the list of
10 Audit-Act-compliant land grants-mercedes and their Audit Act
11 compliance levels provided by the state auditor pursuant to
12 Subsection B of this section, the land grant council shall
13 determine the land grants-mercedes on the list that are
14 assistance-qualified pursuant to Paragraph (1) of Subsection F
15 of this section and their distribution categories pursuant to
16 Subsection D of this section and provide a list of those
17 determinations to the department of finance and administration
18 and the state treasurer.

19 D. An assistance-qualified land grant-merced with
20 an annual revenue, calculated on a cash basis of accounting,
21 exclusive of capital outlay funds or federal or private grants
22 disbursed directly by an administering agency or previous year
23 distributions from the land grant-merced assistance fund, shall
24 receive an annual distribution amount [~~starting in fiscal year~~
25 ~~2024 and continuing in each subsequent fiscal year~~] in

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1 accordance with the following:

2 (1) less than [~~fifty thousand dollars~~
3 ~~(\$50,000)~~] one hundred thousand dollars (\$100,000), the
4 assistance-qualified land grant-merced shall receive a full
5 distribution;

6 (2) at least [~~fifty thousand dollars~~
7 ~~(\$50,000)~~] one hundred thousand dollars (\$100,000) but [~~not~~
8 ~~more~~] less than two hundred fifty thousand dollars (\$250,000),
9 the assistance-qualified land grant-merced shall receive
10 seventy-five percent of a full distribution;

11 (3) at least two hundred fifty thousand
12 dollars (\$250,000) but [~~not more~~] less than five hundred
13 thousand dollars (\$500,000), the assistance-qualified land
14 grant-merced shall receive fifty percent of a full
15 distribution; and

16 (4) five hundred thousand dollars (\$500,000)
17 or more, the assistance-qualified land grant-merced shall
18 receive twenty-five percent of a full distribution.

19 E. Within thirty days of receiving the list of
20 assistance-qualified land grants-mercedes pursuant to
21 Subsection C of this section, the state treasurer shall
22 distribute to each assistance-qualified land grant-merced the
23 amount determined pursuant to Subsections C and D of this
24 section. [~~If the balance in the fund as of the preceding June~~
25 ~~30 exceeds the sum of certified amounts distributed, the~~

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1 ~~difference shall revert to the general fund.]~~

2 F. As used in this section:

3 (1) "assistance-qualified land grant-merced"
4 means a land grant-merced that has supplied an account of its
5 previous fiscal year revenue calculated in the same manner used
6 for an annual calculation pursuant to Subsection D of this
7 section to the land grant council, is in compliance with
8 Chapter 49, Article 1 or 4 NMSA 1978, including having an
9 elected board of trustees, and is in compliance with the Audit
10 Act; and

11 (2) "full distribution" means an amount equal
12 to the annual amount of money in the land grant-merced
13 assistance fund at the start of a fiscal year divided by the
14 total number of assistance-qualified land grants-mercedes as
15 determined by the land grant council pursuant to Subsection C
16 of this section for that fiscal year."

17 SECTION 2. EFFECTIVE DATE.--The effective date of the
18 provisions of this act is July 1, 2026.