



New Mexico State Land Office

Earnings and Distributions Legislative Education Study Committee

July 15, 2026

**Sunalei Stewart
Deputy Commissioner**

Agenda

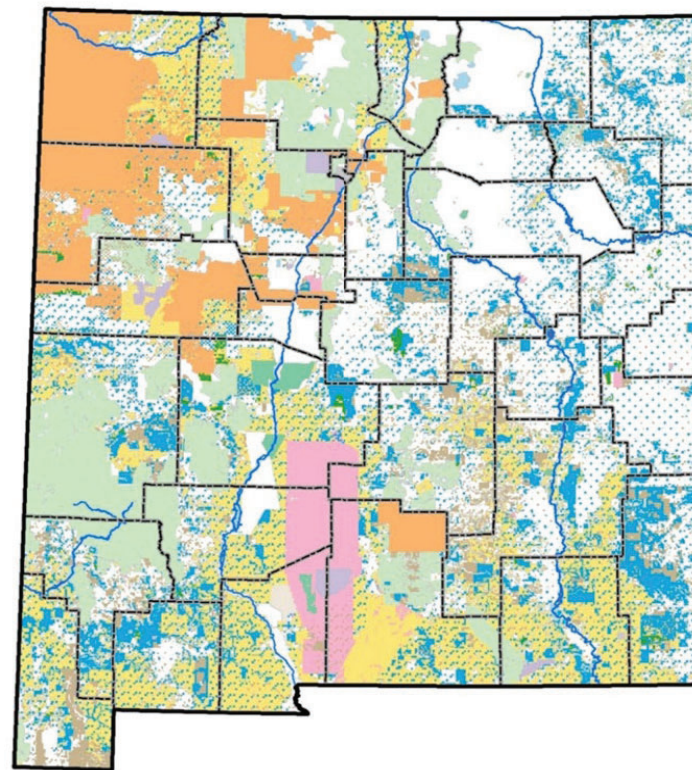
- State Land Trust Framework
- Revenue Flow
- Transfers to Beneficiaries
- Questions?

State Land Trust Framework

- New Mexico was granted trust lands by the federal government for the specific purpose of using these working lands to support public institutions (Ferguson Act of 1898; Enabling Act of 1910)
- The Commissioner of Public Lands is the statewide elected executive officer of the State Land Office and is charged with the management, care, custody, control and disposition of trust lands (N.M. Const., Art. 13, § 2; NMSA 1978, § 19-1-1)
- The Commissioner has a fiduciary duty to manage state trust lands in a manner that generates revenue while protecting trust assets (e.g., land); ensure they remain productive and healthy for current and future generations
- Earnings benefit schools, universities, hospitals and other important public institutions – which reduces the burden on taxpayers by billions of dollars each year
- Land (NMSLO) and associated investment holdings (SIC LGPF) are part of the same trust, serve exactly the same beneficiaries
- Federal and state legal mandates govern the grant of trust lands as a condition of statehood (*Lassen v. Arizona ex rel. Arizona Highway Dept.*, 385 U.S. 458 (1967); *State ex rel. King v. Lyons*, 2011-NMSC-004, 149 N.M. 330; *State ex rel. State Highway Commission v. Walker*, 1956-NMSC-080, 61 N.M. 374; *State ex rel. Otto v. Field*, 1925-NMSC-019, 31 N.M. 120
 - Must be compensated for the “true value” of the use of trust lands
 - Trust obligations run to the beneficiaries, not the “state” in general (designated beneficiaries derive the full benefit of the land grant)
 - The federal Enabling Act is part of the state’s fundamental law to the same extent as if it had been directly incorporated into the state constitution
 - Trust provisions enforceable by the U.S. Attorney

New Mexico Land Ownership

- The State Land Office manages and holds in trust about 9 million acres of surface estate (~12% of all land in NM) and 13 million acres of mineral estate (~17%)
- State trust lands are located in every county in the state
- Generated about **\$15 billion** over the last eight years from a wide variety of leasing activities, including energy, commercial development and agriculture



State Trust Lands

- Subsurface Estate
- Surface Estate
- Both Estates

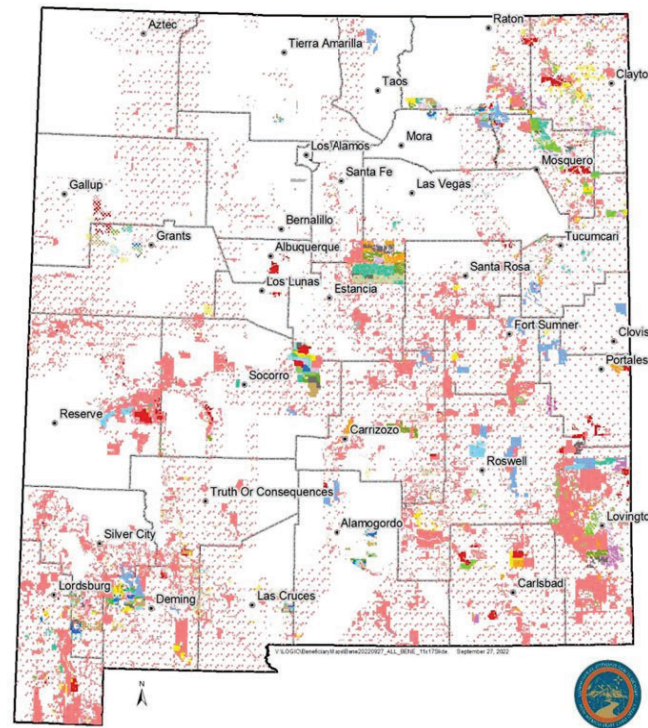
Other Surface Ownership

- Bureau of Indian Affairs/Tribes
- Bureau of Land Management
- Bureau of Reclamation
- Department of Agriculture
- Department of Defense
- Private
- DOE
- USDA Forest Service
- Fish and Wildlife Service
- National Park Service
- Valles Caldera National Preserve
- State Parks



Lands Assigned to Each Beneficiary

Beneficiary	Surface Acreage	Mineral Acreage
Common Schools	6,803,453	9,767,525
University of New Mexico	253,140	344,864
Saline Lands	1,044	1,502
New Mexico State University	194,571	254,200
Western New Mexico University	77,500	118,642
New Mexico Highlands University	77,500	118,642
Northern New Mexico College	31,918	56,563
Eastern New Mexico University	82,802	104,039
New Mexico Tech	162,588	219,019
New Mexico Military Institute	135,578	160,011
New Mexico Boys School	50,814	62,331
Miners Colfax Medical Center	98,557	120,766
Behavioral Health Institute	101,242	164,024
State Penitentiary	113,509	159,695
School for the Deaf	87,079	107,022
School for the Blind	100,827	118,830
Charitable Penal & Reformatory	74,551	99,620
Water Reservoirs	341,626	470,417
Rio Grande Improvement	54,221	89,202
Public Buildings	88,846	132,112
Carrie Tingley Hospital	18,799	13,692
TOTAL	8,950,165	12,682,718



New Mexico Land Trust Beneficiaries

Common Schools
Charitable, Penal and Reform
Carrie Tingley Hospital
Eastern New Mexico University
Improvements to the Rio Grande
New Mexico Miners Hospital
New Mexico Military Institute
New Mexico Boys School
Northern New Mexico College
New Mexico Highlands University
New Mexico Institute of Mining Technology
New Mexico Penitentiary
New Mexico State Hospital
New Mexico State University
New Mexico School for the Deaf
New Mexico Schools for the Deaf/Visually Impaired
New Mexico School for the Visually Impaired
Public Buildings
University of New Mexico
Water Reservoirs
Western New Mexico University
Western New Mexico University/New Mexico Highlands University

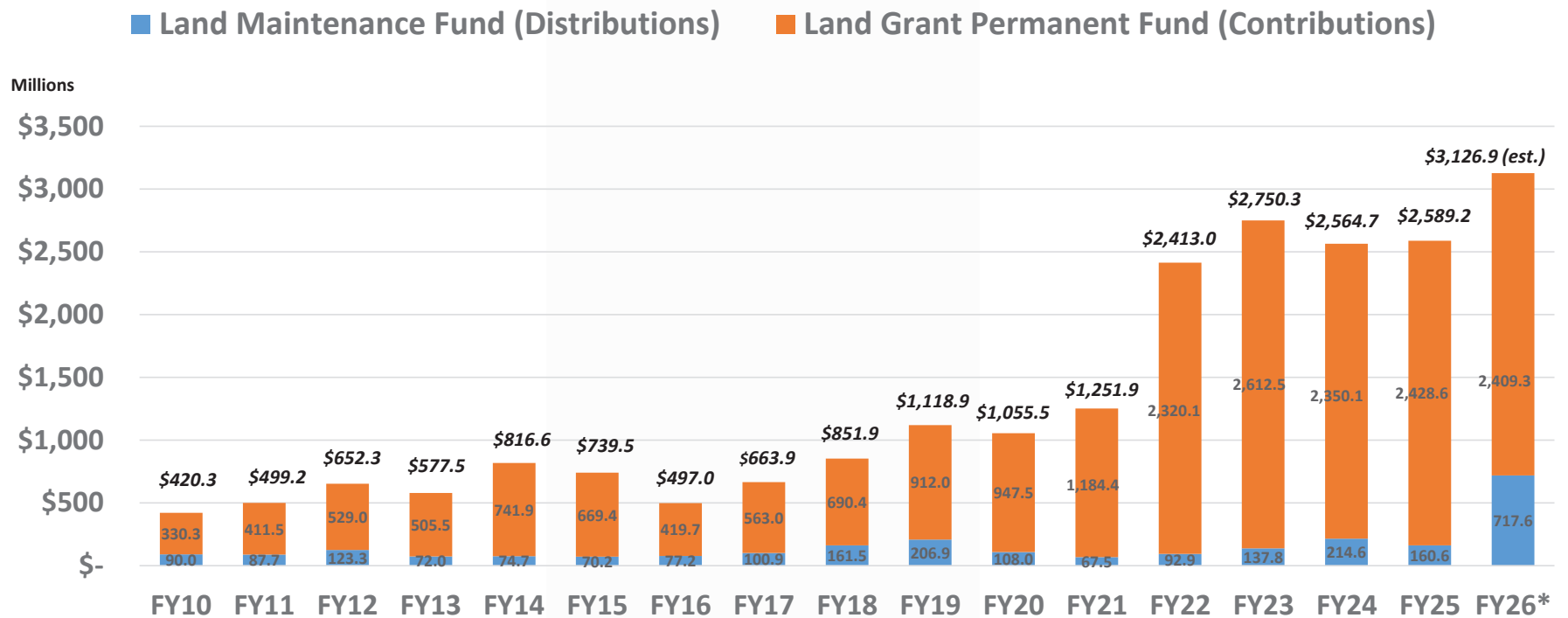
Beneficiary Land/Earning Allocations

- Public Land Survey System: Townships (36 square miles) are divided into sections (1 square mile/640 acres)
- Each beneficiary is assigned specific sections of land (e.g., 2, 16, 32, 36) and the money derived from those sections goes to each corresponding beneficiary
- There are a total of 21 state land trust beneficiaries, primarily schools, universities and hospitals
- Revenue that involves a permanent depletion of a resource (oil and gas royalties, land sales, etc.) is transferred to the State Investment Council (**Land Grant Permanent Fund**), where it is invested prior to distribution to the beneficiaries
- Revenue from “renewable” resources (renewable energy, agriculture, rights-of-way, business leases, etc.) is distributed on a monthly basis to the beneficiaries via the **Land Maintenance Fund**
 - State Land Office expenses paid prior to distribution
 - 1% withholding for Restoration and Remediation Fund

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

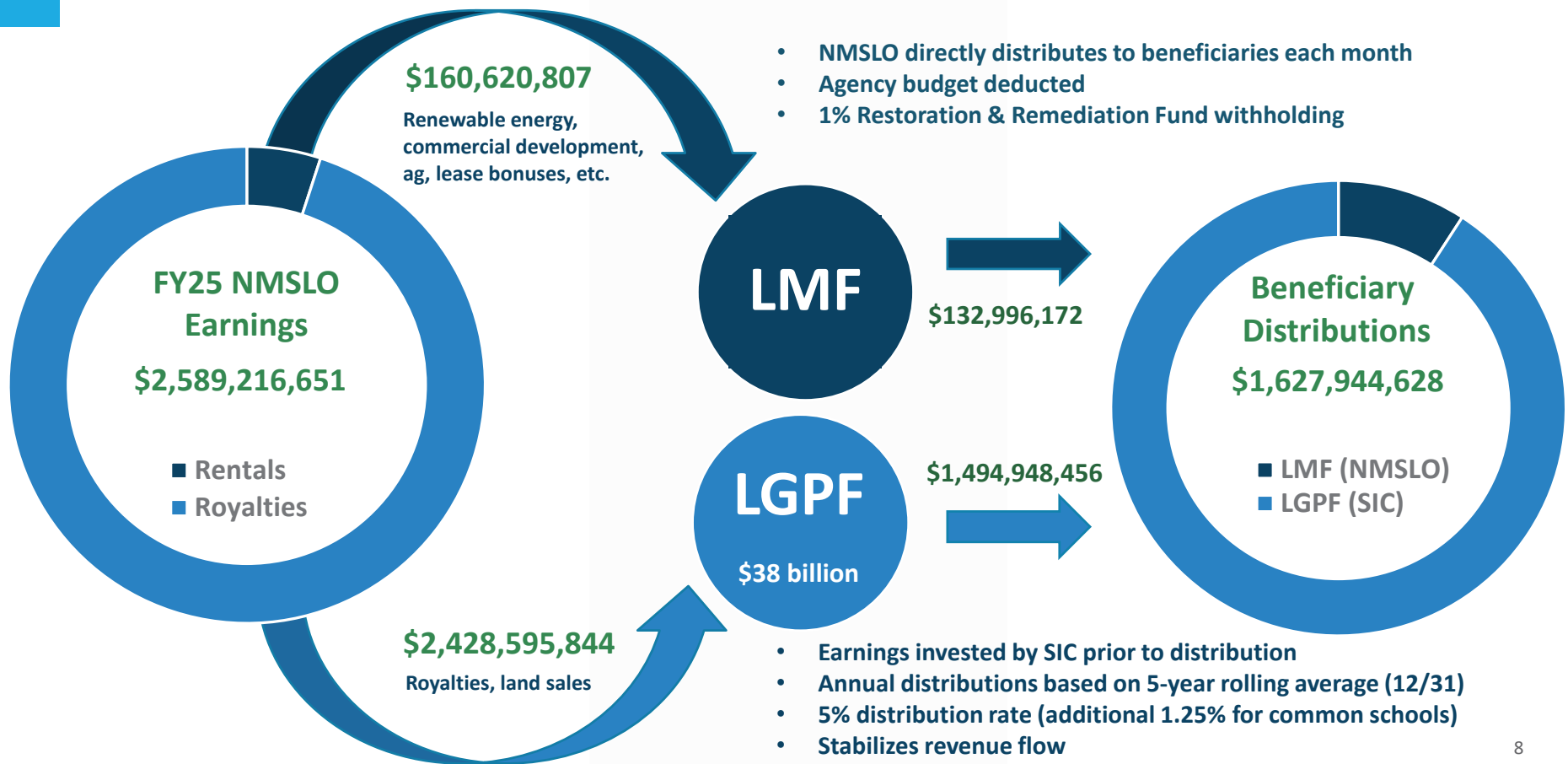
Township = 36 Sections/ Section = 1 square mile

State Land Office Earnings By Fund

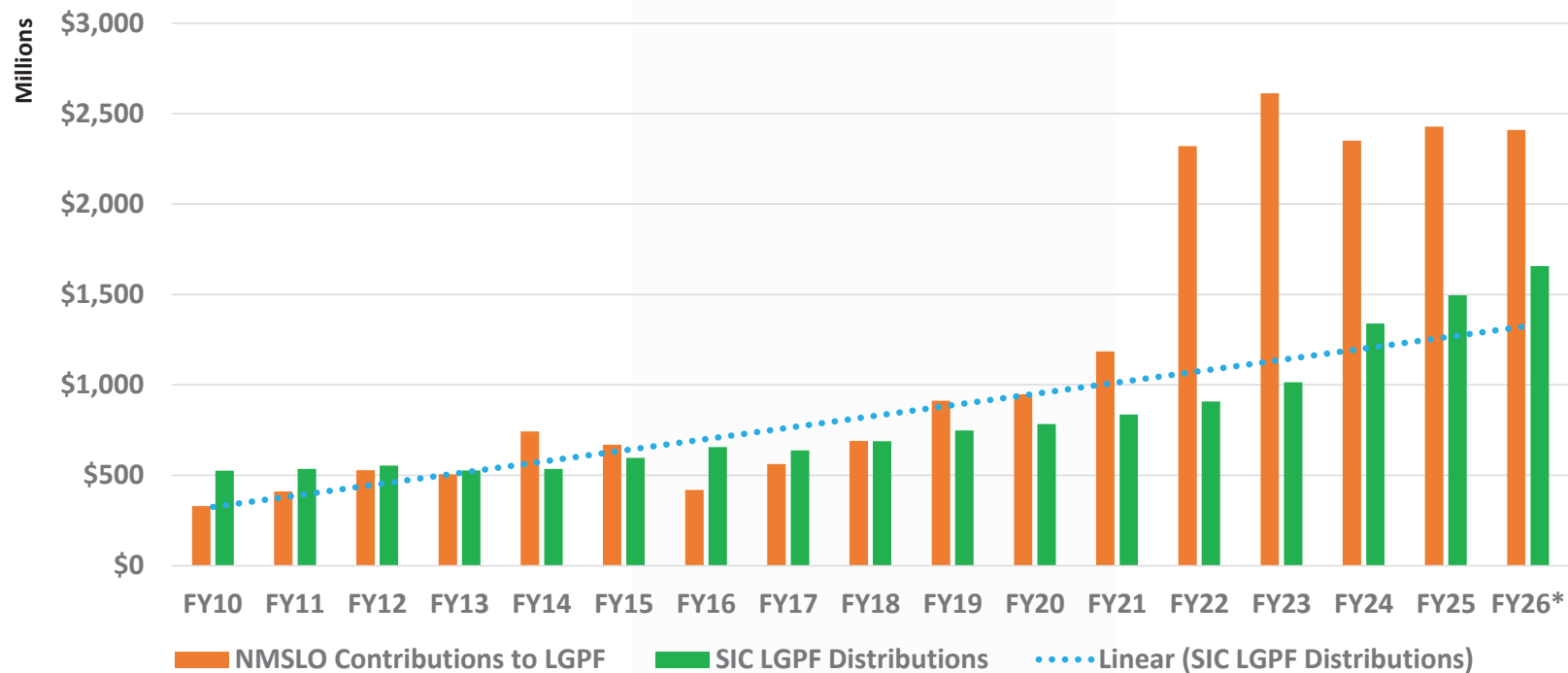


*FY26 includes three months of estimated O&G royalties at \$240 million per month

NMSLO Earnings and Distributions



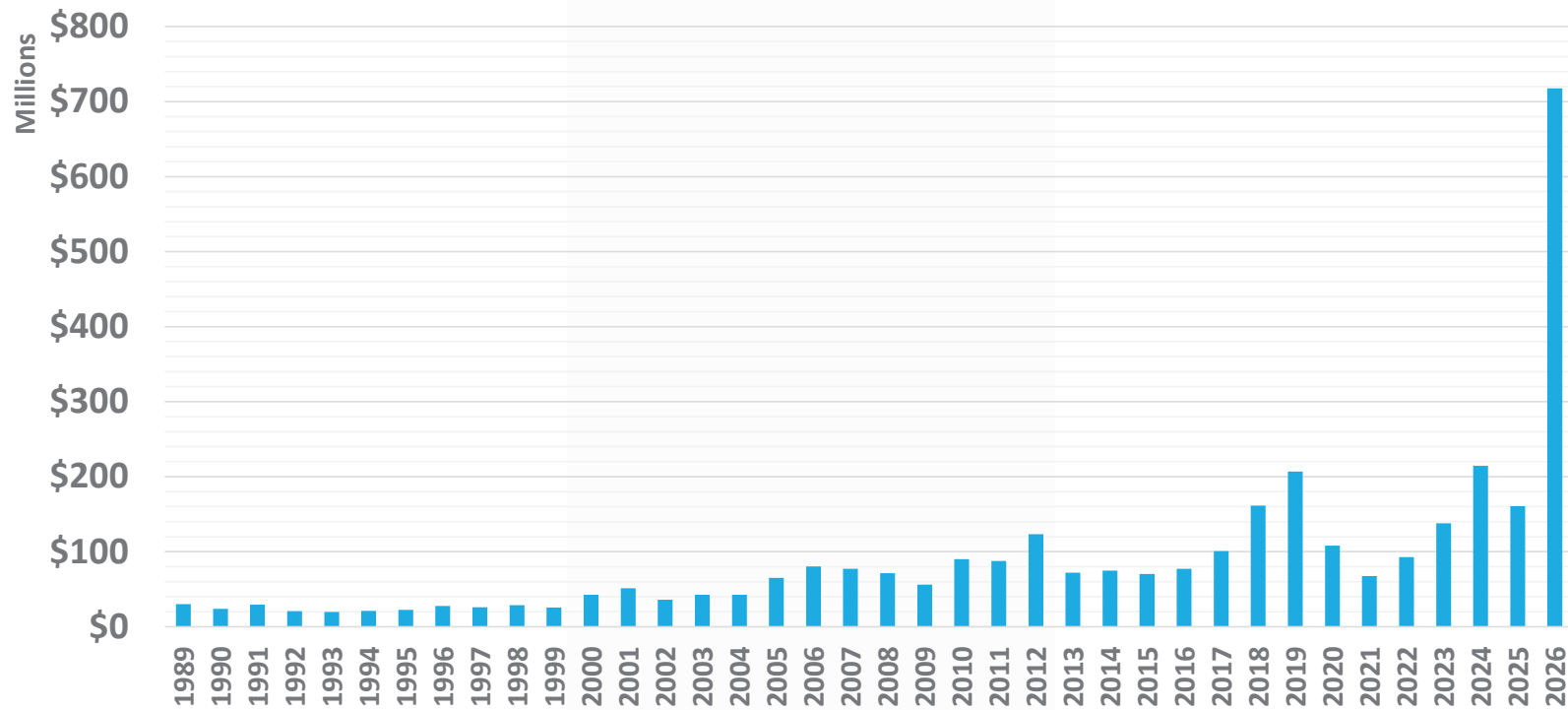
LGPF Stabilization of NMSLO Earnings



*FY26 LGPF contribution includes three months of estimated O&G royalties at \$240 million per month

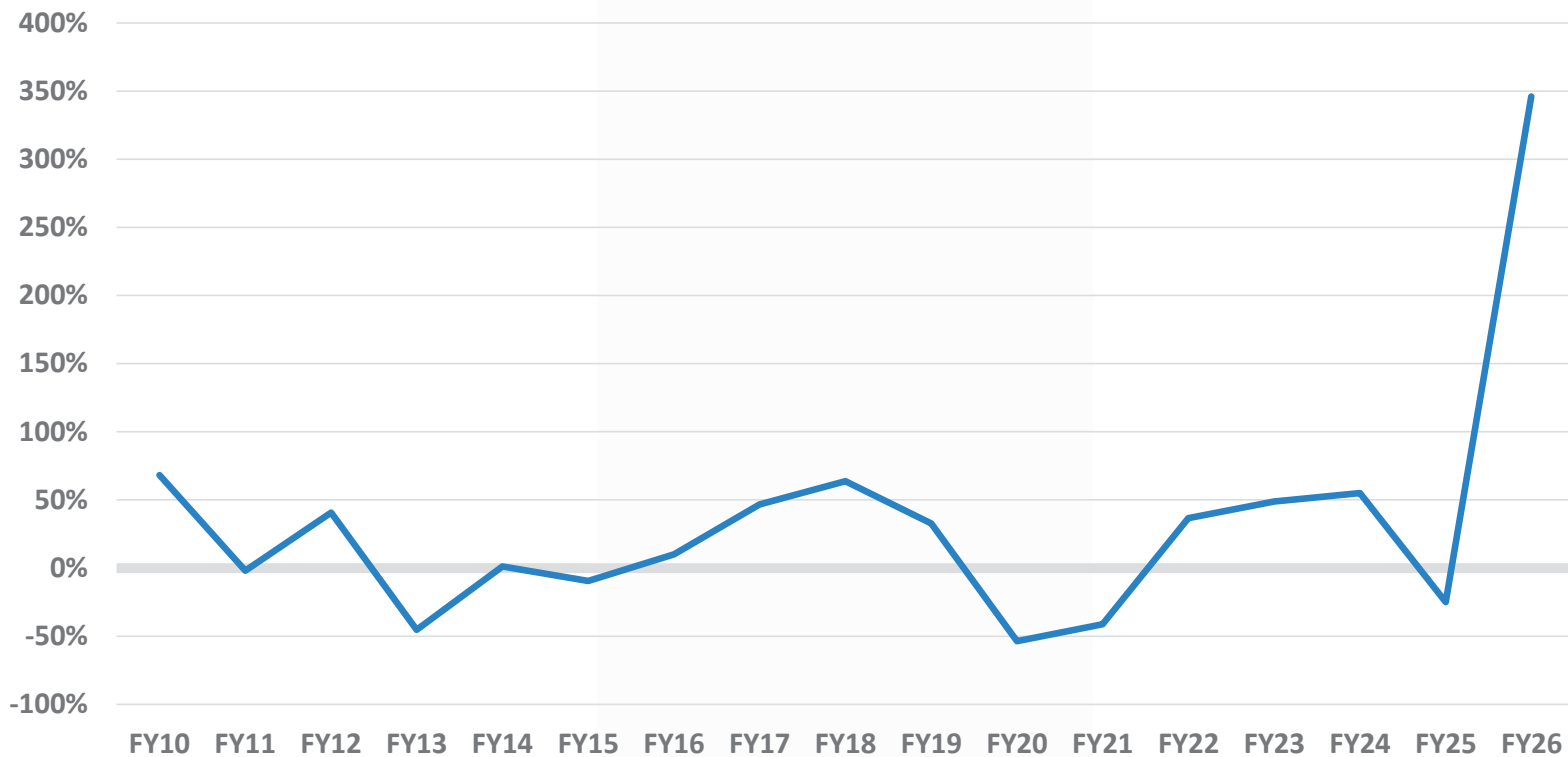
Land Maintenance Fund Earnings

\$1 Earned, \$1 in Value – No Growth Potential Prior to Distribution



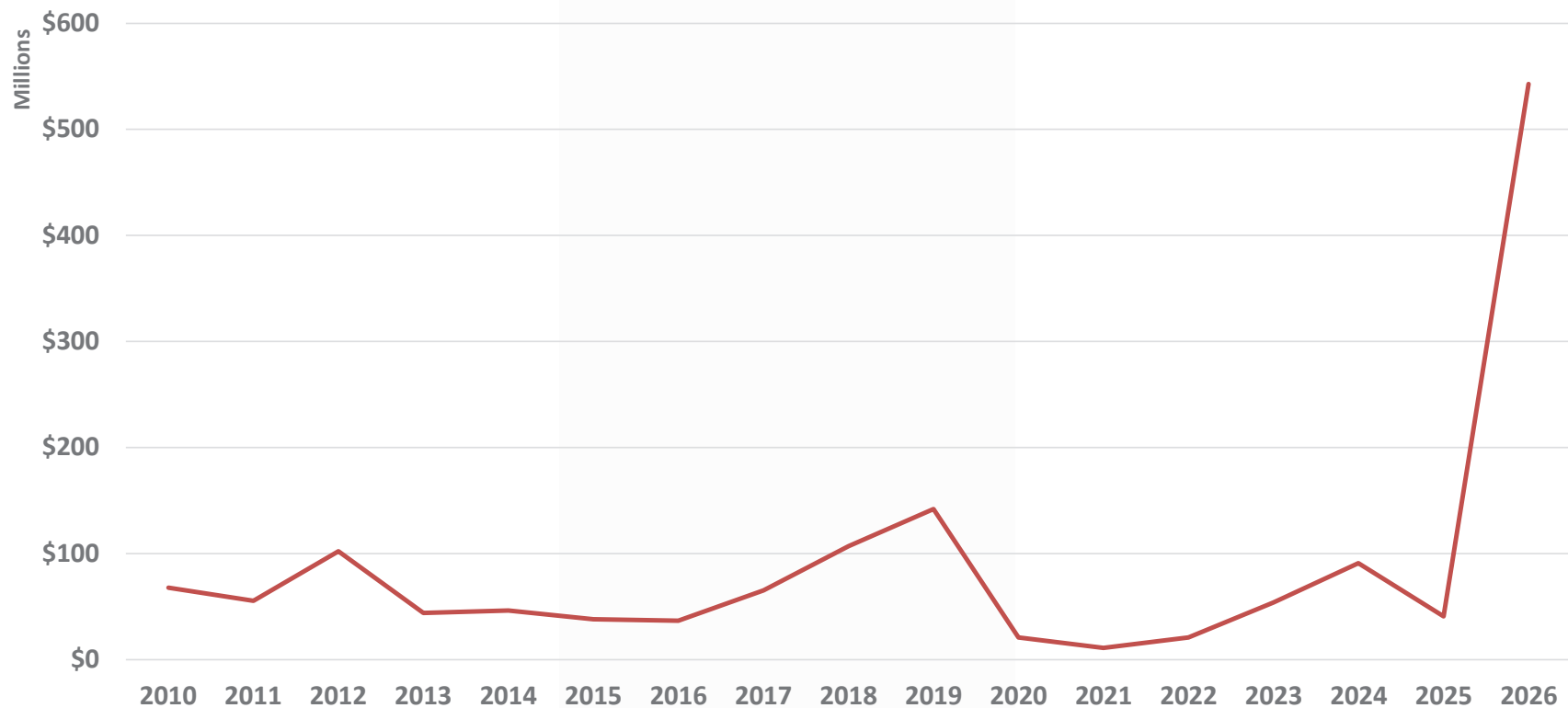
High Volatility in Land Maintenance Fund Distributions

Year-Over-Year % Change in LMF Distributions

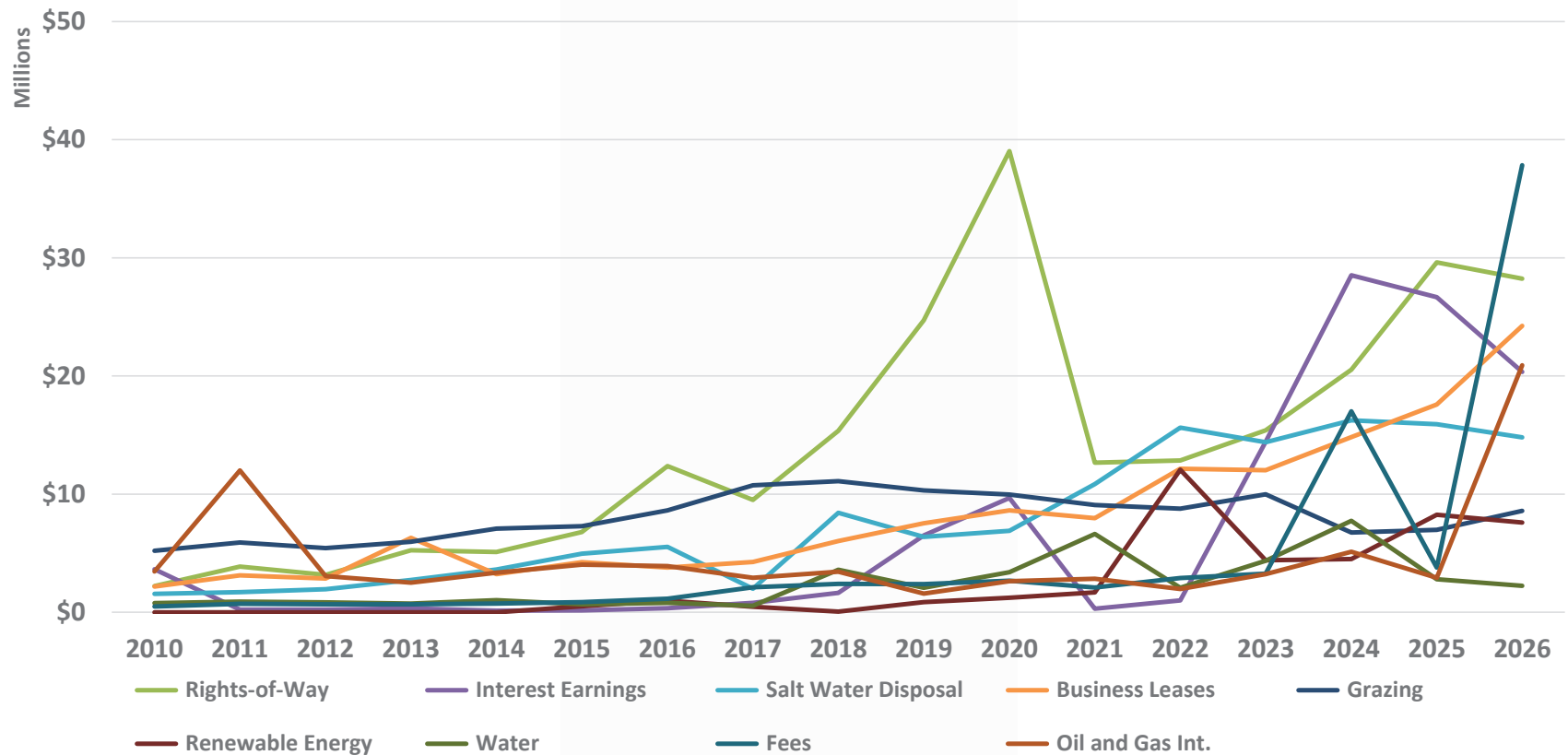


O&G Lease Sale “Bonus” Income - LMF

Reactive to Availability and Quality of O&G Parcels



Other Top Income Sources - LMF



Direct Annual Distributions to Beneficiaries - LMF

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
COMMON SCHOOLS	\$ 47,817,852	\$ 71,489,681	\$ 111,845,104	\$ 132,454,206	\$ 69,858,281	\$ 41,762,187	\$ 52,935,443	\$ 82,419,631	\$ 117,763,736	\$ 101,374,814
UNIVERSITY OF NM	\$ 720,361	\$ 2,154,383	\$ 2,394,941	\$ 5,347,008	\$ 1,312,470	\$ 721,739	\$ 1,497,430	\$ 4,924,938	\$ 4,333,306	\$ 1,767,242
SALINE LANDS (UNM)	\$ 3,639	\$ 112	\$ -	\$ -	\$ 3,957	\$ 361	\$ 13,107	\$ 269,895	\$ 42,726	\$ 17,341
NM STATE UNIVERSITY	\$ 718,585	\$ 393,528	\$ 1,507,738	\$ 1,217,672	\$ 1,349,049	\$ 734,177	\$ 1,145,618	\$ 1,473,186	\$ 10,770,859	\$ 3,214,099
WESTERN NM UNIVERSITY	\$ 70,662	\$ 100,110	\$ 146,385	\$ 104,969	\$ 94,777	\$ 104,681	\$ 401,008	\$ 551,198	\$ 223,830	\$ 378,369
NM HIGHLANDS	\$ 70,883	\$ 100,387	\$ 146,687	\$ 105,232	\$ 118,347	\$ 124,346	\$ 421,408	\$ 576,149	\$ 226,421	\$ 378,370
NORHTERN NM SCHOOL	\$ 40,021	\$ 59,895	\$ 102,386	\$ 52,215	\$ 61,549	\$ 72,778	\$ 342,683	\$ 484,777	\$ 159,599	\$ 109,773
EASTERN NM UNIVERSITY	\$ 98,597	\$ 189,474	\$ 232,816	\$ 232,890	\$ 464,413	\$ 155,978	\$ 153,453	\$ 160,270	\$ 283,465	\$ 400,167
NM INST OF MIN & TECH	\$ 346,540	\$ 315,231	\$ 604,948	\$ 354,729	\$ 325,640	\$ 610,753	\$ 1,886,802	\$ 918,747	\$ 1,122,575	\$ 952,017
NM MILITARY INST.	\$ 272,522	\$ 513,858	\$ 8,292,234	\$ 836,271	\$ 1,029,679	\$ 701,454	\$ 465,965	\$ 641,050	\$ 1,220,366	\$ 1,135,802
NM BOYS SCHOOL	\$ 32,042	\$ 43,957	\$ 60,815	\$ 66,297	\$ 83,988	\$ 81,959	\$ 80,631	\$ 93,143	\$ 131,083	\$ 82,992
MINERS HOSPITAL	\$ 196,845	\$ 247,868	\$ 3,586,985	\$ 2,227,668	\$ 660,671	\$ 342,416	\$ 1,478,724	\$ 1,397,668	\$ 729,842	\$ 6,019,748
STATE HOSPITAL	\$ 622,929	\$ 1,409,012	\$ 2,148,269	\$ 784,096	\$ 1,545,596	\$ 685,106	\$ 808,925	\$ 1,270,940	\$ 8,867,134	\$ 6,605,401
STATE PENITENTIARY	\$ 1,098,242	\$ 1,010,210	\$ 2,286,456	\$ 34,165,127	\$ 2,425,196	\$ 1,209,405	\$ 710,912	\$ 2,025,814	\$ 14,335,411	\$ 4,838,307
SCHOOL FOR THE DEAF	\$ 1,960,330	\$ 533,535	\$ 514,597	\$ 515,012	\$ 351,792	\$ 338,754	\$ 462,845	\$ 328,004	\$ 578,238	\$ 908,333
SCHOOL FOR BLIND & VIS IMPAIRED	\$ 1,964,339	\$ 541,560	\$ 520,473	\$ 522,814	\$ 356,986	\$ 353,170	\$ 467,081	\$ 374,103	\$ 545,991	\$ 1,367,008
CHARITABLE PENAL & REFORM	\$ 226,013	\$ 781,404	\$ 1,152,967	\$ 811,606	\$ 1,076,971	\$ 387,846	\$ 443,344	\$ 762,658	\$ 338,204	\$ 334,557
WATER RESERVOIRS	\$ 747,611	\$ 2,961,863	\$ 1,451,540	\$ 988,106	\$ 808,139	\$ 529,462	\$ 570,759	\$ 612,207	\$ 599,076	\$ 537,353
RIO GRANDE IMPROV	\$ 90,505	\$ 1,443,926	\$ 587,020	\$ 221,008	\$ 156,664	\$ 120,877	\$ 143,963	\$ 147,094	\$ 148,335	\$ 115,665
PUBLIC BLDG	\$ 763,249	\$ 560,610	\$ 1,401,803	\$ 3,388,864	\$ 3,340,993	\$ 1,176,620	\$ 4,144,109	\$ 2,841,374	\$ 4,045,320	\$ 2,439,351
CARRIE TINGLEY	\$ 18,973	\$ 32,370	\$ 27,960	\$ 27,162	\$ 73,084	\$ 69,070	\$ 136,722	\$ 39,537	\$ 48,401	\$ 19,460
Total	\$ 57,880,738	\$ 84,882,976	\$ 139,012,122	\$ 184,422,950	\$ 85,498,244	\$ 50,283,140	\$ 68,710,932	\$ 102,312,382	\$ 166,513,916	\$ 132,996,172

*Distribution amounts to beneficiaries are calculated after withholding to cover the agency budget and the transfer of 1% of earnings to the Restoration & Remediation fund

Annual Transfers to SIC on Behalf of Beneficiaries - LGPF

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
COMMON SCHOOLS	\$391,034,589	\$524,300,334	\$635,925,443	\$858,775,563	\$893,259,729	\$1,124,527,490	\$2,170,072,075	\$2,458,335,664	\$1,999,921,624	\$2,238,849,171
UNIVERSITY OF NM	\$2,050,189	\$2,811,047	\$3,390,287	\$3,287,349	\$3,617,537	\$3,481,970	\$5,691,017	\$10,114,004	\$16,312,637	\$17,246,120
SALINE LANDS (UNM)	\$241,650	\$375,858	\$203,277	\$96,474	\$51,410	\$66,440	\$78,000	\$41,548	\$538,585	\$495,823
NM STATE UNIVERSITY	\$439,271	\$499,296	\$409,388	\$353,587	\$190,762	\$443,456	\$8,144,223	\$3,260,124	\$5,000,826	\$9,018,853
WESTERN NM UNIVERSITY	\$42,126	\$48,848	\$41,500	\$37,939	\$27,779	\$20,396	\$20,994	\$24,572	\$24,116	\$25,663
NM HIGHLANDS	\$42,126	\$48,848	\$41,500	\$37,939	\$27,779	\$20,396	\$20,994	\$24,572	\$24,116	\$25,663
NORHTERN NM SCHOOL	\$42,249	\$48,992	\$41,630	\$38,043	\$27,849	\$20,450	\$21,046	\$24,640	\$24,182	\$25,727
EASTERN NM UNIVERSITY	\$122,071	\$168,643	\$92,286	\$41,649	\$20,818	\$52,610	\$112,592	\$56,201	\$17,444	\$29,363
NM INST OF MIN & TECH	\$376,945	\$594,123	\$380,593	\$341,556	\$212,075	\$197,414	\$234,177	\$280,614	\$270,731	\$564,774
NM MILITARY INST.	\$5,171,828	\$7,551,140	\$17,536,613	\$13,237,004	\$10,554,505	\$13,086,757	\$24,756,308	\$22,458,178	\$20,041,910	\$19,466,396
NM BOYS SCHOOL	\$29,534	\$825	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MINERS HOSPITAL	\$1,255,895	\$1,637,788	\$1,269,501	\$1,099,690	\$836,821	\$607,541	\$1,484,948	\$1,390,212	\$795,762	\$1,706,465
STATE HOSPITAL	\$2,330,337	\$2,417,536	\$2,541,170	\$3,020,662	\$2,643,666	\$2,446,463	\$3,507,350	\$3,469,913	\$5,357,300	\$9,498,960
STATE PENITENTIARY	\$5,104,613	\$5,592,386	\$5,889,171	\$5,487,463	\$6,758,885	\$6,458,048	\$20,923,830	\$20,755,020	\$28,677,722	\$43,928,202
SCHOOL FOR THE DEAF	\$3,287,342	\$5,053,355	\$5,766,188	\$6,099,855	\$5,260,949	\$5,471,676	\$9,629,221	\$9,161,713	\$7,997,323	\$7,438,518
SCHOOL FOR BLIND & VIS IMPAIRED	\$3,288,367	\$5,056,215	\$5,769,371	\$6,099,891	\$5,263,481	\$5,470,277	\$9,634,312	\$9,178,582	\$8,038,556	\$7,459,548
CHARITABLE PENAL & REFORM	\$919,757	\$1,077,668	\$1,069,962	\$945,136	\$621,216	\$691,674	\$1,371,678	\$1,335,202	\$1,083,321	\$1,195,882
WATER RESERVOIRS	\$1,063,027	\$1,181,345	\$1,132,391	\$819,914	\$480,623	\$498,484	\$1,170,694	\$1,058,989	\$1,481,084	\$755,672
RIO GRANDE IMPROV	\$196,492	\$254,146	\$207,760	\$159,086	\$117,892	\$110,928	\$160,166	\$194,158	\$101,945	\$95,853
PUBLIC BLDG	\$2,706,038	\$4,313,746	\$8,720,203	\$12,016,194	\$17,541,359	\$20,750,241	\$63,053,950	\$71,309,760	\$59,189,525	\$70,769,190
CARRIE TINGLEY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,925	\$0	\$0
Total	\$ 419,744,447	\$ 563,032,139	\$ 690,428,235	\$ 911,994,994	\$ 947,515,135	\$ 1,184,422,711	\$ 2,320,087,575	\$ 2,612,475,591	\$ 2,154,898,708	\$ 2,428,595,844

QUESTIONS?



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