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SENATE BILL

50TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2012

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO HIGHER EDUCATION; CREATING THE SUSTAINABLE ENERGY
HIGHER EDUCATION ENDOWMENT FUND TO FUND THE CURRICULUM,
TEACHING, RESEARCH, DEVELOPMENT AND COMMERCIALIZATION OF
SUSTAINABLE ENERGY TECHNOLOGIES; REQUIRING AN ANNUAL
LEGISLATIVE FINANCE COMMITTEE EVALUATION AND REPORT;
TEMPORARILY DISTRIBUTING A PORTION OF GROSS RECEIPTS TAX
REVENUE TO THE FUND; MAKING AN APPROPRIATION.

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

SECTION 1. A new section of the Tax Administration Act is
enacted to read:

"[NEW MATERIAL] DISTRIBUTION--SUSTAINABLE ENERGY HIGHER
EDUCATION ENDOWMENT FUND.--A distribution pursuant to Section
7-1-6.1 NMSA 1978 shall be made to the sustainable energy
higher education endowment fund in the amount of eight hundred
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1 thirty-five thousand dollars (\$835,000) from the net receipts
2 attributable to the gross receipts tax imposed by the Gross
3 Receipts and Compensating Tax Act. The distribution shall be
4 made:

5 A. after the distribution made pursuant to Section
6 7-1-6.4 NMSA 1978;

7 B. after the distribution made pursuant to Section
8 7-1-6.42 NMSA 1978;

9 C. after any distribution of net receipts
10 attributable to the gross receipts tax for payment of debt
11 service on outstanding bonds or to a fund dedicated for that
12 purpose; and

13 D. prior to any other distribution of net receipts
14 attributable to the gross receipts tax."

15 SECTION 2. A new section of Chapter 21, Article 1 NMSA
16 1978 is enacted to read:

17 "[NEW MATERIAL] SUSTAINABLE ENERGY HIGHER EDUCATION
18 ENDOWMENT FUND CREATED.--

19 A. The "sustainable energy higher education
20 endowment fund" is created in the state treasury. The fund
21 shall consist of the distribution under the Tax Administration
22 Act, appropriations, earnings from investment of the fund,
23 gifts, grants, donations and bequests. Earnings from
24 investment of the fund shall be credited to the fund. Money in
25 the fund shall be invested by the state investment council.

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1 Any money in the fund shall not revert to any other fund at the
2 end of a fiscal year.

3 B. As used in this section, "sustainable energy"
4 means energy that is produced by methods that improve energy
5 efficiency by increasing the net benefits per unit of energy
6 used, reducing the consumption of nonrenewable natural
7 resources and decreasing the impact of environmental
8 degradation from energy harvesting and consumption.

9 C. The purposes of the fund are to enable and to
10 promote sustainable energy higher education and industry
11 incubation, growth and employment in the state.

12 D. On July 1, 2015, and on July 1 of each year
13 thereafter, five percent of the value of the fund on December
14 31 of the previous calendar year shall be disbursed to the
15 following institutions in the following proportions:

16 (1) one-third to the university of New Mexico;

17 (2) one-third to New Mexico state university;

18 and

19 (3) one-third to New Mexico institute of
20 mining and technology.

21 E. Money from the fund shall be used only for:

22 (1) recruiting and retaining teaching faculty;

23 (2) developing and implementing curricula;

24 (3) research and development; and

25 (4) commercializing technology.

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1 F. To carry out the purposes of and to use the fund
2 in the most effective and efficient manner, the university of
3 New Mexico, New Mexico state university and New Mexico
4 institute of mining and technology shall collaborate with each
5 other and coordinate their sustainable energy curricula.

6 G. On an annual basis starting in fiscal year 2018,
7 the university of New Mexico, New Mexico state university and
8 New Mexico institute of mining and technology shall report to
9 the legislative finance committee, which shall evaluate and
10 report to the appropriate legislative interim committee, on the
11 uses of and expenditures from the fund, including:

12 (1) the number of teaching faculty recruited
13 and retained;

14 (2) a description of sustainable energy
15 technology courses and programs;

16 (3) a description of any collaboration among
17 the universities and between the universities and other
18 institutions, agencies, entities or persons;

19 (4) an accounting of how the courses and
20 programs are funded, including amounts and sources;

21 (5) the number of students who completed
22 courses and obtained degrees in sustainable energy programs;

23 (6) a description of current and projected
24 technology research, development and commercialization and
25 patent applications, and their economic impact;

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(7) an analysis of current and projected job creation and industry incubation and growth; and

(8) any other information it deems appropriate or as requested by the appropriate legislative interim committee."

SECTION 3. DELAYED REPEAL.--Section 1 of this act is repealed effective July 1, 2016.

SECTION 4. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2012.