

HOUSE MEMORIAL 9

**44TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION,  
2000**

INTRODUCED BY

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A MEMORIAL

REQUESTING THE UNITED STATES CONGRESS TO ENACT S. 1997 TO  
SIMPLIFY FEDERAL OIL AND GAS REVENUE DISTRIBUTIONS.

WHEREAS, the state of New Mexico shares a portion of the  
royalty receipts from oil and gas production from federal  
lands within the boundaries of the state; and

WHEREAS, the state's share of these royalties is  
calculated using the net receipts sharing procedure set forth  
in the federal Omnibus Budget Reconciliation Act of 1993; and

WHEREAS, the net receipts sharing procedure is a  
complicated and inefficient means of calculating the state's  
share of oil and gas royalty receipts; and

WHEREAS, the inspector general of the United States  
department of the interior has found that inaccurate cost  
estimates have resulted in states being overcharged millions  
of dollars in administrative expenses, resulting in

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1 correspondingly lower federal mineral leasing revenues; and

2 WHEREAS, the procedure used by the federal government  
3 prior to the Omnibus Budget Reconciliation Act of 1993 was  
4 more efficient and equitable; and

5 WHEREAS, the procedure utilized under the Omnibus Budget  
6 Reconciliation Act of 1993 has been a source of disagreement  
7 and a source of added administrative burden to the state and  
8 to the federal government; and

9 WHEREAS, Senator Jeff Bingaman has introduced  
10 legislation that would abolish net receipts sharing as  
11 provided for in the Omnibus Budget Reconciliation Act of 1993  
12 and resolve future disputes and complexities;

13 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF  
14 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the congress  
15 be requested to enact S. 1977, The Mineral Revenue Payments  
16 Clarification Act of 1999, without amendment; and

17 BE IT FURTHER RESOLVED that copies of this memorial be  
18 transmitted to each member of the New Mexico congressional  
19 delegation.