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1 union on an equal footing with the original states. "

2 B. The fund shall be invested by the state
3 investment officer in accordance with policy regulations
4 promulgated by the state investment council.

5 C. In making investments, the state investment
6 officer, under the supervision of the state investment council,
7 shall exercise the judgment and care under the circumstances
8 then prevailing that businessmen of ordinary prudence,
9 discretion and intelligence exercise in the management of their
10 own affairs not in regard to speculation but in regard to the
11 permanent disposition of their funds, considering the probable
12 income as well as the probable safety of their capital.

13 D. The legislature may establish criteria for
14 investing the fund if the criteria are enacted by a
15 three-fourths vote of the members elected to each house, but
16 investment of the fund is subject to the following
17 restrictions:

18 (1) not more than sixty-five percent of the
19 book value of the fund shall be invested at any given time in
20 corporate stocks;

21 (2) not more than ten percent of the voting
22 stock of a corporation shall be held;

23 (3) stocks eligible for purchase shall be
24 restricted to those stocks of businesses listed upon a national
25 stock exchange or included in a nationally recognized list of

. 155659. 2

1 stocks; and

2 (4) not more than fifteen percent of the book
3 value of the fund may be invested in international securities
4 at any single time.

5 E. All additions to the fund and all earnings,
6 including interest, dividends and capital gains from investment
7 of the fund shall be credited to the fund.

8 F. Except as provided in Subsection G of this
9 section, the annual distributions from the fund shall be five
10 percent of the average of the year-end market values of the
11 fund for the immediately preceding five calendar years.

12 G. In addition to the annual distribution made
13 pursuant to Subsection F of this section, unless suspended
14 pursuant to Subsection H of this section, ~~[an]~~ additional
15 annual ~~[distribution]~~ distributions shall be made pursuant to
16 the following schedule; provided that no distribution shall be
17 made pursuant to the provisions of this subsection in any
18 fiscal year if the average of the year-end market values of the
19 fund for the immediately preceding five calendar years is less
20 than five billion eight hundred million dollars
21 (\$5,800,000,000):

22 (1) in fiscal years 2005 through 2012, an
23 amount equal to eight-tenths percent of the average of the
24 year-end market values of the fund for the immediately
25 preceding five calendar years; provided that any additional

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1 distribution from the permanent school fund pursuant to this
2 paragraph shall be used to implement and maintain educational
3 reforms provided by law; ~~[and]~~

4 (2) in fiscal years 2007 through 2012 a
5 distribution from the permanent school fund shall be made
6 directly to the Albuquerque public school district to initiate
7 a pilot project at the Manzano high school cluster and the
8 Highland high school cluster to ensure compliance with the
9 federal No Child Left Behind Act of 2001 and to ensure that
10 children of Kirtland air force base personnel are adequately
11 educated to satisfy the education requirement of the federal
12 base realignment and closure plans. At a minimum, the
13 distribution shall be sufficient to double the number of
14 teachers at each cluster above the level in the 2004-2005
15 school year. No later than November 30, 2006 and June 1 of
16 each subsequent year, the secretary of public education shall
17 certify the amount to be distributed pursuant to this
18 paragraph. A distribution pursuant to this paragraph shall be
19 in addition to any distribution to the Albuquerque public
20 school district for the Manzano and Highland high school
21 clusters through the state equalization guarantee distribution;
22 and

23 ~~[(2)]~~ (3) in fiscal years 2013 through 2016,
24 an amount equal to one-half percent of the average of the
25 year-end market values of the fund for the immediately

. 155659. 2

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1 preceding five calendar years; provided that any additional
2 distribution from the permanent school fund pursuant to this
3 paragraph shall be used to implement and maintain educational
4 reforms as provided by law.

5 H. The legislature, by a three-fifths' vote of the
6 members elected to each house, may suspend any additional
7 distribution provided for in Subsection G of this section. "

8 Section 2. The amendment proposed by this resolution
9 shall be submitted to the people for their approval or
10 rejection at the next general election or at any special
11 election prior to that date that may be called for that
12 purpose.