



The Legislature
of the
State of New Mexico

49th Legislature, 2nd Session

LAWS 2010

CHAPTER 49

HOUSE BILL 79

Introduced by

REPRESENTATIVE DON L. TRIPP

REPRESENTATIVE DONALD E. BRATTON
REPRESENTATIVE HENRY "KIKI" SAAVEDRA
REPRESENTATIVE EDWARD C. SANDOVAL
REPRESENTATIVE NICK L. SALAZAR
REPRESENTATIVE LUCIANO "LUCKY" VARELA
REPRESENTATIVE JEANNETTE O. WALLACE
REPRESENTATIVE JAMES ROGER MADALENA



FOR THE LEGISLATIVE FINANCE COMMITTEE

Chapter 49

AN ACT

1
2 RELATING TO PUBLIC MONEY; PROVIDING FOR AN ADDITIONAL
3 DISTRIBUTION FROM THE TOBACCO SETTLEMENT PERMANENT FUND TO THE
4 TOBACCO SETTLEMENT PROGRAM FUND IN FISCAL YEAR 2011; MAKING AN
5 APPROPRIATION.

6
7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

8 Section 1. Section 6-4-9 NMSA 1978 (being Laws 1999,
9 Chapter 207, Section 1, as amended) is amended to read:

10 "6-4-9. TOBACCO SETTLEMENT PERMANENT FUND--INVESTMENT--
11 DISTRIBUTION.--

12 A. The "tobacco settlement permanent fund" is
13 created in the state treasury. The fund shall consist of
14 money distributed to the state pursuant to the master
15 settlement agreement entered into between tobacco product
16 manufacturers and various states, including New Mexico, and
17 executed November 23, 1998 or any money released to the state
18 from a qualified escrow fund or otherwise paid to the state as
19 authorized by the model statute, Sections 6-4-12 and 6-4-13
20 NMSA 1978, enacted pursuant to the master settlement
21 agreement. Money in the fund shall be invested by the state
22 investment officer as land grant permanent funds are invested
23 pursuant to Chapter 6, Article 8 NMSA 1978. Income from
24 investment of the fund shall be credited to the fund. Money
25 in the fund shall not be expended for any purpose, except as

1 provided in this section.

2 B. In fiscal years 2003 through 2006, a
3 distribution shall be made from the tobacco settlement
4 permanent fund to the general fund in an amount equal to one
5 hundred percent of the total amount of money distributed to
6 the tobacco settlement permanent fund in that fiscal year.

7 C. In fiscal year 2007 and in each fiscal year
8 thereafter, an annual distribution shall be made from the
9 tobacco settlement permanent fund to the tobacco settlement
10 program fund of an amount equal to fifty percent of the total
11 amount of money distributed to the tobacco settlement
12 permanent fund in that fiscal year until that amount is less
13 than an amount equal to four and seven-tenths percent of the
14 average of the year-end market values of the tobacco
15 settlement permanent fund for the immediately preceding five
16 calendar years. Thereafter, the amount of the annual
17 distribution shall be four and seven-tenths percent of the
18 average of the year-end market values of the tobacco
19 settlement permanent fund for the immediately preceding five
20 calendar years. In the event that the actual amount
21 distributed to the tobacco settlement program fund in a fiscal
22 year is insufficient to meet appropriations from that fund for
23 that fiscal year, the secretary of finance and administration
24 shall proportionately reduce each appropriation accordingly.

25 D. In addition to the distribution made pursuant

1 to Subsection C of this section, in fiscal year 2009, fiscal
2 year 2010 and fiscal year 2011, the remaining fifty percent of
3 the total amount of money distributed to the tobacco
4 settlement permanent fund in that fiscal year shall be
5 distributed from the tobacco settlement permanent fund to the
6 tobacco settlement program fund.

7 E. The tobacco settlement permanent fund shall be
8 considered a reserve fund of the state and, as a reserve fund,
9 may be expended in the event that general fund balances,
10 including all authorized revenues and transfers to the general
11 fund and balances in the general fund operating reserve, the
12 appropriation contingency fund and the tax stabilization
13 reserve, will not meet the level of appropriations authorized
14 from the general fund for a fiscal year. In that event, in
15 order to avoid an unconstitutional deficit, the legislature
16 may authorize a transfer from the tobacco settlement permanent
17 fund to the general fund but only in an amount necessary to
18 meet general fund appropriations." _____

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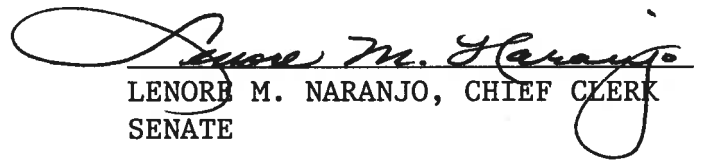
BEN LUJAN, SPEAKER
HOUSE OF REPRESENTATIVES



STEPHEN R. ARIAS, CHIEF CLERK
HOUSE OF REPRESENTATIVES



DIANE D. DENISH, PRESIDENT
SENATE



LENORE M. NARANJO, CHIEF CLERK
SENATE

Approved by me this 8th day of MARCH, 2010



BILL RICHARDSON, GOVERNOR
STATE OF NEW MEXICO

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