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HOUSE JOINT RESOLUTION 10

**53RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2018**

INTRODUCED BY

Doreen Y. Gallegos and Stephanie Garcia Richard

A JOINT RESOLUTION

PROPOSING TO AMEND ARTICLE 12 OF THE CONSTITUTION OF NEW MEXICO TO CREATE A PERMANENT EDUCATION EMERGENCY RESERVE FUND AND TO CONDITIONALLY ALLOW FOR APPROPRIATIONS FROM THAT FUND TO THE BENEFICIARIES OF THE PERMANENT SCHOOL FUND WHEN GENERAL FUND REVENUE LEVELS ARE FORECASTED TO DECLINE.

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

SECTION 1. It is proposed to amend Article 12 of the constitution of New Mexico by adding a new section to read:

"On January 1, 2019, the state investment officer shall transfer an amount equal to one-fourth percent of the 2017 year-end market value of the permanent school fund to the "permanent education emergency reserve fund", which is hereby created. Money in the permanent education emergency reserve fund shall be invested in the same way as money in the fund

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1 described in Article 12, Section 7 of this constitution is  
2 invested. All additions to the permanent education emergency  
3 reserve fund and all earnings, including interest, dividends  
4 and capital gains, from investment of the fund shall be  
5 credited to the fund. If the market value of the fund is  
6 thirty-six million dollars (\$36,000,000) or more and if, at the  
7 time of the appropriation, the forecast for general fund  
8 revenue for the current or following fiscal year shows a  
9 decline of five percent or more from its prior fiscal year  
10 level, the legislature may appropriate money from the fund to  
11 the beneficiaries of the permanent school fund in an amount  
12 less than the difference between the market value of the  
13 permanent education emergency reserve fund and thirty-six  
14 million dollars (\$36,000,000)."

15 SECTION 2. The amendment proposed by this resolution  
16 shall be submitted to the people for their approval or  
17 rejection at the next general election or at any special  
18 election prior to that date that may be called for that  
19 purpose.