

One Hundred Fifth Congress
of the
United States of America

AT THE FIRST SESSION

*Begun and held at the City of Washington on Tuesday,
the seventh day of January, one thousand nine hundred and ninety-seven*

An Act

To amend the Act of June 20, 1910, to protect the permanent trust funds of the State of New Mexico from erosion due to inflation and modify the basis on which distributions are made from those funds.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. PERMANENT TRUST FUNDS OF THE STATE OF NEW MEXICO.

(a) SHORT TITLE.—This Act may be cited as the “New Mexico Statehood and Enabling Act Amendments of 1997”.

(b) INVESTMENT OF AND DISTRIBUTIONS FROM PERMANENT TRUST FUNDS.—The Act of June 20, 1910 (36 Stat. 557, chapter 310), is amended—

(1) in the proviso in the second paragraph of section 7, by striking “the income therefrom only to be used” and inserting “distributions from which shall be made in accordance with the first paragraph of section 10 and shall be used”;

(2) in section 9, by striking “the interest of which only shall be expended” and inserting “distributions from which shall be made in accordance with the first paragraph of section 10 and shall be expended”; and

(3) in the first paragraph of section 10, by adding at the end the following: “The trust funds, including all interest, dividends, other income, and appreciation in the market value of assets of the funds shall be prudently invested on a total rate of return basis. Distributions from the trust funds shall be made as provided in Article 12, Section 7 of the Constitution of the State of New Mexico.”.

(c) CONSENT OF CONGRESS.—Congress consents to the amendments to the Constitution of the State of New Mexico proposed by Senate Joint Resolution 2 of the 42nd Legislature of the State of New Mexico, Second Session, 1996, entitled “A Joint Resolution proposing amendments to Article 8, Section 10 and Article 12,

S. 430—2

Sections 2, 4 and 7 of the Constitution of New Mexico to protect the State's permanent funds against inflation by limiting distributions to a percentage of each fund's market value and by modifying certain investment restrictions to allow optimal diversification of investments", approved by the voters of the State of New Mexico on November 5, 1996.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*