

Overview

How would the amendment change the distribution of the Land Grant Permanent Fund?

See also: [Measure design](#)

The measure would allocate 1.25% of the five-year average of year-end market values of the money in the [Land Grant Permanent Fund](#) to early childhood education (60% of the allocation) and public education (40% of the allocation). As of 2020, the [New Mexico Constitution](#) provided that the annual distribution from the fund was 5% to [21 designated fund beneficiaries](#). This amendment would increase the total annual distribution to 6.25%. The amendment also provided that if the average year-end market value for the preceding five years of the LGPF dropped to \$17 billion allocations would be halted until the fund amount increased.^[2]

What is the Land Grant Permanent Fund?

See also: [Land Grant Permanent Fund](#)

The Land Grant Permanent Fund (LGPF) is also known as the Permanent School Fund. Revenue in the LGPF comes from leases and royalties on non-renewable natural resources, such as oil and gas, and returns on invested capital. It was established when New Mexico became a state in 1912. The New Mexico State Land Office, which is under the New Mexico Commissioner of Public Lands, oversees the collection of revenue from leases and royalties.^[3]

How did the amendment get placed on the ballot?

See also: [Path to the ballot](#)

This amendment was introduced as House Joint Resolution 1 on January 19, 2021. On February 12, 2021, the state House passed HJR 1 in a vote of 44-23 with three absent. On March 18, 2021, the state Senate passed an amended version in a vote of 26-16. The vote was along party lines, except Sen. [Bill G. Tallman](#) was the only Democrat to vote against the amendment. The state House concurred on March 19.^[1]

Measure design

The measure would allocate 1.25% of the five-year average of year-end market values of the money in the [Land Grant Permanent Fund](#) to early childhood education (60% of the allocation) and public education (40% of the allocation). The Legislative Finance Committee (LFC) estimated that the

additional allocation would be about \$245.7 million in fiscal year 2023. Of that total, \$126.9 million would be allocated for early childhood education, \$84.6 million to public education, and \$34.2 million for the LGPF's other beneficiaries.^{[2][4]}

The LGPF is also known as the Permanent School Fund. Revenue in the LGPF comes from leases and royalties on non-renewable natural resources, such as oil and gas, and returns on invested capital.^[3] At the end of calendar year 2020, it was valued at \$22.6 billion. As of 2020, the [New Mexico Constitution](#) provided that the annual distribution from the fund was 5% to [21 designated fund beneficiaries](#). This amendment would increase the total annual distribution to 6.25%. The amendment also provided that if the average year-end market value for the preceding five years of the LGPF dropped to \$17 billion allocations would be halted until the fund amount increased. Between 2016 and 2020, the average year-end market value for the fund was \$18 billion.^{[2][5]}

The measure would define *early childhood education* as "nonsectarian and nondenominational education for children until they are eligible for kindergarten."^[2]

In addition to being approved by state voters, the amendment would also have to be approved by [U.S. Congress](#) because the LGPF was established by federal law and early childhood education is not specified in that law.^[2]