



*New Mexico Municipal League*

## LEGISLATIVE BULLETIN

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### SPEED UP, SLOW DOWN

As is typical for this point in a 30-day session, legislative business seemed to simultaneously speed up and slow down this week. After waiting for League priority bills to be scheduled, three key bills were heard – and passed unanimously – in Senate Tax this week, with another priority bill scheduled to be heard in House Health on Saturday. At the same time, hours-long floor debates on contentious bills – mainly related to firearms – slowed business to a crawl. Now past the halfway point, legislators are busy finalizing details of the state budget and a tax package.

**State budget passes House.** On Wednesday, the House of Representatives passed [House Bill 2](#), the General Appropriation Act, by a vote of 53-16. The House version of HB2 includes nearly \$10.1 billion in recurring general fund spending, a 6.5 percent increase over last year's budget, as well as \$2.6 billion in one-time general fund spending. HB2 now goes to the Senate Finance committee, where more appropriations will be added.

**Tax package taking shape.** Members of House and Senate tax committees met on Friday to review tax bills. While the committees will continue to hammer out details, it looks like this year's tax package will largely include some of the tax provisions that were included in last year's omnibus tax bill ([House Bill 547](#)) but were vetoed by the Governor. Most concerning for local revenues is Senate Bill 118, a gross receipts tax exemption for dyed special fuels used for agricultural purposes. The fiscal impact report indicates a \$26 million hit for local governments in FY25.

**Capital outlay bill introduced.** This year's capital outlay bill, [Senate Bill 275](#), sponsored by Senator Nancy Rodriguez, was introduced on Wednesday. Local projects have not been added to the bill yet, but you can view all the projects – including local projects – that each legislator has requested [here](#).

### League Priority Legislation

- Three of the League's priority bills passed unanimously in Senate Tax on Thursday.

**We saw great turnout from our fire and EMS communities for [Senate Bill 151](#),** sponsored by which would distribute an additional \$22 million to EMS services across the state. A legislator on the committee even took a

#### Key legislative session dates:

Opening day (noon): *January 16*  
Deadline for introduction: *January 31*  
Session ends (noon): *February 15*  
Legislation not acted upon by governor  
is pocket vetoed: *March 6*

Your legislator can be reached by name through the legislative switchboard: (505) 986-4300 in Santa Fe. The Legislature's website ([www.nmlegis.gov](http://www.nmlegis.gov)) also contains legislator's email addresses. You can also check the League's website ([www.nmml.org](http://www.nmml.org)) for other League information.

See page 4 for a summary of how legislation is passed in New Mexico.

photo of the room – she was so impressed with the turnout and support for the bill!

While we feel confident about continued legislator support for EMS, we must still ensure that there is sufficient funding – or “capacity” – in the Senate budget framework. The bill goes next to Senate Finance, so we are meeting with committee members to build support. An identical House bill – **House Bill 258 – will be heard in the House Health Committee tomorrow**. HB258 is sponsored by Representative Gail Armstrong. We anticipate another good showing from fire and EMS members.

*Thanks to all who showed up to speak in support SB151 – your support is much appreciated!*

**Senate Tax Committee members also voted unanimously to pass [Senate Bill 148](#)**, sponsored by Senator Ivey-Soto, which removes a 3 percent fee on local government gross receipts tax distributions. The fee generates over \$50 million annually for the state general fund, at the expense of local governments. We were pleased that committee members agreed that local governments should not be subsidizing the general fund. The bill goes next to Senate Finance, where legislators will determine whether there is capacity for a \$50 million general fund revenue impact.

**[Senate Bill 184](#)**, sponsored by Senator Bobby Gonzales, also passed Senate Finance. The bill would change the distribution of motor vehicle excise tax revenues to direct 75 percent of revenues to the State Road Fund and 25 percent to the Transportation Project Fund.

Currently, 59 percent of MVEX revenues go to the General Fund, 22 percent go to the State Road Fund, and 19 percent go to the Transportation Project Fund, a source of funding for local road projects. MVEX taxes are projected to generate approximately \$280 million in FY24. SB184 also goes to Senate Finance next.

#### **Other bills of note:**

- **Local match fund advances, but with less money.** [House Bill 177](#), sponsored by Representative Meredith Dixon, passed both its House committees and will next be heard on the House floor. The bill would create a matching grant fund at the Department of Finance and Administration, with funding available to any entities eligible to receive state funding to match federal grants. The bill originally included a \$100 million appropriation, but HB2 includes \$50 million for the grant fund.
- **“Green Amendment” unlikely to progress.** Proposed constitutional amendments - [Senate Joint Resolution 8](#) (Senator Sedillo-Lopez) and [House Joint Resolution 4](#) (Representative Ferrary) – would amend the New Mexico Constitution to add a section enshrining certain environmental rights – a so-called “Green Amendment.” As in past years, we have concerns with the broad and ambiguous language of the proposed amendment, which we believe could subject local permitting and other decision-making to increased litigation, including frivolous or exploitative litigation. For example, permitting for housing developments could be at risk if opponents claim development has a negative impact on flora, fauna, or other ecosystems. However, neither of the joint resolutions have received a hearing yet, making it unlikely they will progress.
- **Bill would restrict panhandling in certain areas.** [Senate Bill 248](#), sponsored by Leo Jaramillo, would prohibit panhandling in certain areas, and would also criminalize aggressive solicitation. The bill would it unlawful to solicit in aisles or parking spaces in a public parking lot, or in traffic lanes, turn lanes, medians less than 36 inches wide, or on-street parking spaces. The bill would also prohibit solicitation in certain areas from a half hour after sunset until a half hour before sunrise. It is worth noting that anti-panhandling policies have faced significant legal challenges in recent years, including in New

Mexico, where the ACLU won a lawsuit against the city of Albuquerque in 2019, with a U.S. District Court Judge ruling that the city's ordinance violated free speech protections. It is unclear whether SB248 is drafted in a way that would be more likely to avoid similar legal challenges.

- **Watch out for dummy bills.** At this point in the session, we start looking for concerning “dummy bills.” These placeholder bills, with the generic title "Public Peace, Health, Safety & Welfare," allow legislators to bypass bill filing deadlines by introducing placeholders which can later be amended to include specific legislative proposals. However, the generic titles and last-minute introductions can make it more challenging to catch problematic bills.

### **Other Substantive Legislation**

The League tracks bills with potential impacts on municipalities. Beginning this session, **you can view a real-time list of all [tracked bills](#) by policy area on our website**, under Legislative Information. Please note that tracking of a bill does not indicate any League position on the bill. For more information on specific legislation, please contact us!

## Anatomy of a Bill

A bill is introduced by a sponsoring legislator on the floor of either house, numbered by the clerk and referred for consideration to one or more committees of that house. The deadline for introduction of all bills except appropriations bills or bills requested by the Governor (special messages) is noon on the 30<sup>th</sup> day of a 60-day session or noon on the 15<sup>th</sup> day of a 30-day session.

Committee recommendations usually determine the success or failure of a bill. A bill may be amended in committee or on the floor at any point in the process – sometimes changed so significantly that its own author would not recognize it – or a substitute measure with the same number and general subject matter may be put in its place.

If you are interested in a particular bill, do not be discouraged if it seems to sit for a long time in committee, particularly in a tax, finance, or appropriations committee. Bills requesting money or taxing authority often lie dormant until the last few days of a session and then move quickly.

If a bill passes successfully through its committee referrals, it returns to the floor of the chamber in which it was introduced for floor consideration. If it passes that chamber, it goes to the other chamber. However, it may also be tabled, referred again, or defeated.

In the second chamber the bill is again considered in one or several committees and it may again be amended or substituted. If it gets through its committee assignments, it returns to the floor of that chamber for consideration and may from there be referred, tabled, passed, or defeated.

If the bill passes the second chamber after being amended or substituted, the originating chamber must concur or fail to concur with the changes. If the originating chamber fails to concur, a conference committee representing both chambers is appointed to decide what to present to both chambers for acceptance.

A bill that has been passed by both the House and the Senate goes to the Governor for signature. The Governor may choose to sign or veto the bill. If the bill contains an appropriation, the Governor may veto portions if she wishes (*line-item veto*); if it does not, she may only veto the entire bill. If vetoed, 2/3 of the House and 2/3 of the Senate must vote in favor of the bill in order to override the veto. If the veto override fails, the bill dies.

Most bills do not reach the Governor's desk before the Legislature adjourns. The Governor has 20 days following the close of the session to sign, veto, or fail to sign (*pocket veto*) any bill that he or she did not act on during the session. In New Mexico, very few bills make it all the way to enactment. The historic trend in New Mexico is for more and more introductions each succeeding session.

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## General Abbreviation Codes

HB – House Bill

HCR – House Concurrent Resolution

HJR – House Joint Resolution

HJM – House Joint Memorial

HM – House Memorial

SB – Senate Bill

SCR – Senate Concurrent Resolution

SJR – Senate Joint Resolution

SJM – Senate Joint Memorial

SM – Senate Memorial

\* - Contains Emergency Clause

CA – Constitutional Amendment

## **House Committees**

HAFC – Appropriations and Finance  
HAGC – Agriculture and Water Resources  
HCEDC – Commerce and Economic Development  
HCPAC – Consumer and Public Affairs  
HCW – Committee of the Whole  
HEC – Education  
HENRC – Energy, Environment and Natural Resources  
HHHC – Health and Human Services  
HJC – Judiciary  
HLLC – Local Government, Land Grants and Cultural Affairs  
HLVMC – Labor, Veterans’ and Military Affairs  
HRC – Rules and Order of Business  
HSEIC – State Government, Elections & Indian Affairs  
HTPWC – Transportation, Public Works & Capital Improvements  
HTRC – Taxation and Revenue

## **Senate Committees**

SCC – Committee’s Committee  
SCONC – Conservation  
SCW – Committee of the Whole  
SEC – Education  
SFC – Finance  
SHPAC – Health and Public Affairs  
SIRC – Indian, Rural and Cultural Affairs  
SJC – Judiciary  
SRC – Rules  
STBTC – Tax, Business and Transportation