

LEGISLATIVE BULLETIN

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Hold Harmless Retained

The Second Session of the 50th Legislature adjourned Sine Die at noon on Thursday, February 16. The Legislature's primary purpose during the 30-day session was accomplished: writing a \$5.6 billion budget that has been sent to the Governor for her consideration. What legislators did not do was send the Governor hundreds of bills to be signed or vetoed. A total of 77 bills were delivered to the Governor's office this year, the lowest number since 1976.

The 2012 League Legislative priority – retention of municipal revenues and maintaining local taxing authority – was generally successful. The repeal of the state's hold harmless provision for food and medical services did not occur, but Senate Finance Chairman John Arthur Smith and Senate Corporations and Transportation Committee Chairman Phil Griego did warn municipalities that they need to carefully look at the viability of that revenue stream. Funding local government services takes an ever-increasing amount of ingenuity in light of the national and state economies.

Many gross receipts tax exemption and deduction bills were introduced this year. One bill, House Taxation and Revenue Committee Substitute for House Bills 184 & 256, will have an effect on municipalities. The bill provides a phased-in gross receipts tax deduction on receipts of selling tangible personal property that is used in a manufacturing process. The bill also provides a deduction for construction-related services that include architecture, drafting, surveying, engineering, environmental and structural testing services, and provides an additional deduction for the leasing of construction equipment to persons engaged in the construction business. The total cost of the deductions to municipalities is estimated to be approximately \$18 million by fiscal year 2017. The bill contains amendments that substantially increase small cities and counties assistance distributions and raises the amount of small cities assistance from 10 to 15 percent of the Compensating Tax.

Funding for public libraries is contained in House Taxation and Revenue Committee Substitute for House Bill 191, Severance Tax Bond Projects. The bill authorizes General Obligation Bonds for a variety of statewide projects. Public libraries would receive \$3 million in funding if approved by voters in the November General Election.

Regulation of fireworks has been a League priority for several years. Senate Corporations and Transportation Committee Substitute for Senate Bill 5, Restrict Sale or Use of Fireworks, introduced by Senator Dede Feldman and Representative Nate Gentry, was tabled in Senate Corporations and Transportation Committee. The Governor had placed the issue of fireworks regulation on her "call," but that was not enough to move the bill out of committee.

The League also sponsored legislation to authorize any municipality to enact a convention center fee on lodging establishments. House Bill 273, Expand Convention Center Financing Act, introduced by Representative Rodolpho "Rudy" Martinez, was not ruled germane for this session.

Senate Bill 52, No Precinct Worker Benefit Suspension, introduced by Senator George Muñoz and Representative Lucky Varela, allows retired PERA workers to work as precinct board members in elections without suspending their benefits.

Some statistics: The House introduced 373 regular bills, 26 joint memorials, 28 joint resolutions, 76 memorials and 2 resolutions. The Senate introduced 371 regular bills, 52 joint memorials, 17 joint resolutions, 87 memorials, 2 resolutions and one concurrent resolution. Of the total 744 regular bills, only 77, or 10.3 percent, passed both houses and were sent to the Governor.

Please make plans to attend one of the eight District Meetings to be held across the state beginning March 19 to hear a summary of all the bills of municipal interest that passed this year's legislative session. Dates, locations and hotel information are available on the League's web site at www.nmml.org/events.

The following bills, Capital Outlay Projects (CS/HB 191), General Obligation Bond projects (CS/SB 66) and Severance Tax Bond project reauthorizations (CS/HB 190) were passed and sent to the Governor. The Governor signed CS/SB 66 and CS/HB 190 and exercised her line-item veto power on several projects in CS/HB 191 as indicated by brackets and line-through [-----].

***CS/HB 191 CAPITAL OUTLAY PROJECTS - STB.** Authorizes issuance of severance tax bonds for a number of projects including the following municipal projects.

Alamogordo: water reuse system addition - \$400,750; **Albuquerque:** Alameda Little League junior baseball field - \$234,000; [~~Arenal Drain Park construction—\$340,000~~]; Albuquerque-Bernalillo County SW Mesa Library construction - \$397,000; Biopark alligator alcove construction - \$150,000; Cesar Chavez Community Center spray ground - \$500,000; Explora Science Center & Children’s Museum addition - \$1,300,000; [~~Hillerman Library rose garden improvements—\$25,000~~]; [~~international district signage—\$50,000~~]; [~~Los Volcanes Senior center cabinets—\$100,000~~]; [~~Manzano Mesa Multigenerational Center—\$10,000~~]; [~~Martineztown Camino Real landscape—\$150,000~~]; Roadrunner Little League safety improvements - \$90,000; Robinson Park renovations - \$150,000; [~~Route 66 visitor center purchase—\$175,000~~]; [~~Santa Barbara/Martineztown parks improvements—\$150,000~~]; [~~Tramway Blvd. Linear Park—\$50,000~~]; Westgate/Tower Park fields improvements - \$300,000; [~~House District 13 sidewalks—\$50,000~~]; [~~La Paz/Paradise Blvd. traffic signals—\$170,000~~]; Mile High Little League equipment/construction - \$105,000; Paseo del Norte Blvd/I-25 interchange - \$2,268,000 (also STW-DOT/SRF Paseo del Norte - \$27,500,000); [~~Senate District 17 parks/streets/alleys/median improvements—\$100,000~~]; [~~Tramway Blvd. concrete barriers—\$202,000~~]; [~~West Central Ave. road and pedestrian improvements—\$200,000~~]; [~~Zuni Rd./Central Ave. mid block crossings—\$150,000~~]; Eighth Street/Coal Ave./Bridge Street improvements - \$100,000; **Anthony:** [~~4th Street drainage improvements—\$50,000~~]; [~~municipal building design/construct—\$350,000~~]; **Artesia:** fire department pumper purchase - \$440,000; **Aztec:** [~~wireless internet access installation—\$115,000~~]; **Bayard:** municipal cemetery - \$200,000; **Bernalillo:** Coronado Little League park improvements - \$75,000; Railrunner Ave. extension - \$195,000; **Bloomfield:** [~~water reuse system—\$175,000~~]; **Bosque Farms:** library addition - \$130,000; **Capitan:** senior center sewer system extension - \$205,000; wastewater treatment plant improvements - \$150,000; **Carrizozo:** asphalt zipper purchase - \$180,000; **Chama:** [~~street improvements—\$100,000~~]; **Clayton:** trash truck - \$165,000; **Clovis:** effluent reuse pipeline construction - \$278,000; **Cloudcroft:** potable wastewater reuse project - \$772,000; **Corrales:** [~~infrastructure projects—\$150,000~~]; [~~parks & recreation facilities—\$100,000~~]; **Cuba:** wastewater treatment plant - \$200,000; **Deming:** wastewater treatment plant improvements - \$350,000; **Dexter:** furnish and equip restrooms at Lake Van public park - \$140,000; **Eagle Nest:** Enchanted Eagle Park asbestos removal - \$50,000; **Edgewood:** road improvements - \$477,000; **Elida:** multipurpose senior/community center facility - \$100,000; **Española:** library & digital media center construction - \$300,000; **Estancia:** [~~community center/town offices stucco—\$24,000~~]; MVD & municipal court facility - \$12,000; wastewater treatment facility sewer pumps - \$12,766; **Eunice:** fire substation construction - \$200,000; **Farmington:** regional animal shelter - \$2,741,000; **Fort Sumner:** [~~parks playground equipment—\$50,000~~]; **Gallup:** [~~Allison Road corridor improvements/design—\$150,000~~]; affordable housing development plan - \$20,000; community pantry improvements - \$40,000; fire station 1 improvements - \$38,500; [~~soeecer field trail head construction—\$50,000~~]; [~~veterans center construction—\$200,000~~]; veterans’ memorial cemetery - \$185,000; **Grady:** fire truck purchase - \$100,000; **Grants:** [~~2nd Street phase 1 improvements—\$300,000~~]; **Hagerman:** water storage tank - \$370,000; **Hatch:** improve Canal Road - \$130,000; Placitas Arroyo ridge crossing - \$147,000; **Hope:** [~~equipment storage building—\$145,000~~]; fire department building expansion/additions - \$170,000; **Jal:** wastewater treatment plant improvements - \$250,000; **Jemez Springs:** [~~parks development and improvements—\$140,000~~]; **Las Cruces:** East Mesa public safety campus construction - \$1,214,000; Jardin de Los Ninos roof - \$50,000; [~~Mesquite historic district sign—\$100,000~~]; [~~Lantana Estates sewer system—\$100,000~~]; **Las Vegas:** [~~Valencia parking lot improvements—\$10,000~~]; **Los**

Lunas: wastewater treatment plant equipment - \$50,000; **Los Ranchos de Albuquerque:** [~~4th Street improvements—\$400,000~~]; **Lordsburg:** [~~water system improvements—\$127,000~~]; **Loving:** little league park improvements - \$100,700; **Lovington:** wells construction - \$400,000; **Magdalena:** well site power supply upgrade - \$10,000; **Melrose:** water system improvements - \$50,000; **Mesilla:** [~~parks playground equipment—\$75,000~~]; plaza renovation - \$250,000; roads/utility improvements \$27,000; **Milan:** Uranium Ave. improvements - \$280,000; **Mosquero:** street improvements - \$50,000; **Pecos:** sewer lines construction - \$50,000; **Peralta:** [~~Don Jacobo Road improvements—\$98,000~~]; Peralta-Bosque Farms wastewater system - \$250,000; **Portales:** water system improvements - \$110,000; **Questa:** [~~municipal building improvements—\$30,000~~]; [~~water rights—\$30,000~~]; watershed & river restoration - \$90,000; **Raton:** solid waste structure - \$100,000; **Red River:** [~~town hall plan & design—\$50,000~~]; **Rio Rancho:** Meadowlark Senior Center parking lot - \$350,000; [~~regional park facility—\$375,000~~]; **Roswell:** [~~nature center construction—\$240,000~~]; [~~parks playground equipment—\$100,000~~]; street improvements - \$200,000; Wool Bowl softball complex - \$487,000; **Roy:** 2nd Street improvements - \$60,000; **Ruidoso:** sewer system facilities - \$122,000; **Santa Clara:** public safety building construction - \$180,000; **Santa Fe:** [~~Botanical Garden Museum Hill—\$201,000~~]; Boys' & Girls' Club: fire alarm system - \$7,000, parking lot - \$3,500, pool renovation - \$32,734, and security alarm system - \$2,500; multipurpose center for homeless - \$111,000; police station renovation - \$440,000; **Santa Rosa:** Ifield Building renovation - \$325,000; Park Lake construction/improvements - \$100,000; **Socorro:** rodeo & recreation facilities - \$292,000; **Sunland Park:** [~~McNutt River trail exercise area—\$81,000~~]; **Taos:** Kit Carson Park public restrooms - \$50,000; [~~lift equipment—\$65,000~~]; **Tijeras:** water system construction - \$400,000; **Truth or Consequences:** solid waste collection center - \$400,000; **Tularosa:** police vehicles & info tech - \$300,000; **Tucumcari:** trash collection trucks - \$150,000; **Wagon Mound:** public works facility improvements - \$50,000. **Statewide:** Wastewater Facility Construction Loan Fund - \$1,400,000 to implement the Act or provide state matching funds for the Clean Water Act.

EMERGENCY CLAUSE.

*CS/SB 66

GENERAL OBLIGATION BOND PROJECTS. Authorizes the sale of General Obligation Bonds for the following municipal projects (subject to voter approval): **Alamogordo:** senior center renovations - \$130,680; senior center code improvements - \$265,000; **Albuquerque:** central kitchen equipment - \$50,000; central kitchen renovation - \$30,000; citywide senior centers equipment - \$100,000; citywide senior centers meal equipment - \$101,720; Dept. of Senior Affairs vehicles - \$519,000; Dept. of Senior Affairs code improvements - \$150,000; Highland senior center renovations - \$250,000; **Artesia:** senior center vehicles - \$48,000; senior center meals site vehicles - \$83,000; **Belen:** senior center meals equipment - \$68,000; **Bernalillo:** senior center code improvements - \$19,410; **Bloomfield:** senior center vehicles - \$25,000; **Chama:** senior center meals equipment - \$5,000; senior center renovations - \$77,490; **Clayton:** senior center renovations - \$6,500; senior center code improvements - \$200,000; **Cloudcroft:** senior center equipment - \$3,000; senior center meals equipment - \$5,000; **Clovis:** Baxter-Curren senior center code improvements - \$8,000; senior center equipment - \$3,800; **Corrales:** senior center renovations - \$23,000; **Cuba:** senior center renovations - \$23,000; **Deming:** senior center meals equipment - \$39,585; **Des Moines:** senior center renovations - \$2,500; **Española:** Beatrice Martinez senior center equipment - \$9,360; Beatrice Martinez senior center code improvements - \$250,000; Beatrice Martinez senior center meals equipment - \$21,000; Española senior center renovations - \$34,900; **Estancia:** senior center renovations - \$10,000; **Eunice:** senior center renovations - \$120,000; **Fort Sumner:** senior center vehicles - \$25,000; senior center meals equipment - \$23,950; **Grady:** senior center meals equipment - \$3,330; **Hagerman:** senior center renovations - \$150,000; **Las Cruces:** Munson senior center code improvements - \$250,000; **Las Vegas:** senior center vehicles - \$48,000; **Logan:** senior center equipment - \$1,500; **Moriarty:** senior center meals equipment - \$12,000; senior center renovations - \$10,000; **Mountainair/Moriarty:** senior center renovations - 3,875; **Mountainair:** senior center renovations - \$9,500; **Pecos:** senior center meals equipment - \$15,800; senior center renovations - \$10,195; **Raton:** senior center code improvements - \$15,000; **Rio Rancho:** senior center equipment - \$70,810; senior center code improvements - \$113,410; **Santa Fe:** Luisa senior center code

improvements - \$185,690; Luisa senior center renovations - \$146,940; Mary Esther Gonzales senior center renovations - \$134,880; Mary Esther Gonzales senior center code improvements - \$300,000; Pasatiempo senior center code improvements - \$8,500; citywide senior centers meals equipment - \$111,900; citywide senior centers vehicles - \$132,000; **Santa Rosa:** senior center renovations - \$13,715; senior center meals equipment - \$41,470; **Socorro:** senior center vehicles - \$42,000; senior center code improvements - \$15,000; senior center meals equipment - \$4,375; senior center renovations - \$25,000; **Taos:** senior center renovations - \$62,000; **Tijeras:** senior center vehicles - \$48,000; **Truth or Consequences:** senior center meals equipment - \$16,055; **Tucumcari:** senior center meals equipment - \$29,900; senior center equipment - \$8,900; senior center code improvements - \$18,000; and **Statewide Public Libraries** - \$3 million. EMERGENCY CLAUSE.

***CS/HB 190 REAUTHORIZE PROJECTS.** This bill reauthorizes expenditures or extends the timeframe for the following municipal projects:

Springer – water siphon system: extended through fiscal year 2014

Hatch – well, water rights and infrastructure: extended through fiscal year 2014

Las Cruces – regional recreational aquatics center: extended through fiscal year 2014

Las Cruces – La Casa shelter and transitional housing: extended through fiscal year 2014

Mesilla – plan and design public works building; extended through fiscal year 2014

Hurley – water system improvements: extended through fiscal year 2014

Mora- Wagon Mound – senior center: extended through fiscal year 2014

Tularosa – senior center meals vehicles; extended through fiscal year 2014

Bernalillo – soccer complex: extended through fiscal year 2014

Cuba – water treatment and well improvements: extended through fiscal year 2014

Rio Rancho (several reauthorizations) – regional park facility: extended through fiscal year 2014

Bosque Farms – library improvements: extended through fiscal year 2014

EMERGENCY CLAUSE.