



*New Mexico Municipal League*

## LEGISLATIVE BULLETIN

VOL. 2022-6

April 6, 2022

### **MORE SPENDING TRANSPARENCY; REBATES FOR ALL**

The Third Special Session of the 55<sup>th</sup> Legislature took place on April 4, lasting approximately 12 hours. In that time, legislators passed a major personal income tax rebate bill and also passed a revised junior appropriations bill that was largely similar to the junior bill passed during the 2022 regular session.

**More transparency, but few changes, in junior bill.** The Governor’s veto of Senate Bill 48 (the “junior” appropriations bill) from the regular session was the catalyst for reconvening the Legislature in a special session. In her veto message, the Governor noted she believed the \$50 million spending bill “circumvent[ed] the budget and capital outlay process,” and cited concern with unfunded recurring expenses. After lawmakers discussed calling themselves into an extraordinary session (which has only happened once), the Governor and legislative leadership agreed to convene a special session to revise the bill.

The revised junior bill ([Senate Bill 1](#)), which passed during the one-day special session, was largely similar to the original regular session bill ([Senate Bill 48](#)), with \$26.1 million in recurring spending and \$24.1 million in nonrecurring spending. For some appropriations, the classification of recurring or nonrecurring was changed, or the designated agency receiving appropriations was changed. References to specific non-profit entities were removed (presumably to avoid potential violations of the anti-donation clause). Finally, the revised bill included a transparency provision that requires the Legislative Council Service to publish a list of bill appropriations on its website, along with the names of each legislator who allocated money for specific items. The list will be available within 30 days of the special session.

SB1 included over \$10 million in appropriations for local governments through the Local Government Division of the Department of Finance and Administration (see examples of funding for municipalities in sidebar). Appropriations to local governments in SB1 largely mirrored funding in SB48 – in some cases, language was changed to make appropriations more general, or multiple similar appropriations were combined into a single appropriation. For a full list of appropriations to local governments, see the bill’s [fiscal impact report](#).

#### **Examples of Local Projects in Junior Bill (SB1)**

- *Los Ranchos* – Fourth Street revitalization project (\$100,000)
- *Grants* – fire department equipment (\$100,000)
- *Las Cruces* – services for homeless populations (\$50,000)
- *Hobbs* – upgrade animal shelter (\$200,000)
- *Alamogordo* – police vehicles and equipment (\$65,000)
- *Belen* – park improvements (\$150,000)
- *Silver City* – support for Clay Festival (\$50,000)

**Rebate relief.** The Legislature also passed a bill ([House Bill 2](#)) providing personal income tax rebates or relief payments to New Mexicans. Single filers who filed a state tax return in 2021 will receive \$500 across two separate payments, while joint filers, heads of household, and surviving spouses will receive \$1,000 in two payments. Payments will be sent out in June and August 2022. Rebates are expected to cost approximately \$675 million over two fiscal years.

In addition, HB2 provides \$20 million to the Human Services Department (HSD) to provide one-time relief payments of \$500 or \$1,000 to individuals who are not eligible to receive the rebates because they do not file state income taxes. To receive a payment, a resident must be 18 years or older and not be a dependent of someone who received a rebate, and must apply to HSD for payments. Relief payments will be provided on a first-come, first-served basis.

The rebates in HB2 are in addition to a personal income tax rebate enacted as part of [House Bill 163](#) (the omnibus tax bill) during the regular session, which will provide \$250 for single filers with income under \$75,000 and \$500 for joint filers with income under \$150,000.

**Funding for Capitol maintenance.** The Legislature also passed legislation ([House Bill 1](#)) appropriating \$4 million for state capitol building system upgrades and renovations, in addition to covering expenses of running a special session.

The Governor may call the Legislature into a special session at any time, and the only matters that may be considered are those contained in the Governor's proclamation calling the session. The Legislature may also call itself into an extraordinary session, which legislators had discussed prior to the Governor calling a special session.

## 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, few bills make it all the way to enactment. The historic trend in New Mexico is for more and more introductions each succeeding session.

### 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

HAFB – 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