



*New Mexico Municipal League*

## LEGISLATIVE BULLETIN

VOL. 2022-1

January 21, 2022

### **HISTORIC FUNDING LEVELS, HISTORIC NEEDS**

The Second Session of the 55th Legislature opened on January 18. The Legislature convenes for a 30-day session amidst historic funding levels, with nearly \$1.6 billion of “new money” for the General Fund. Bills focusing on fighting crime, raising salaries for public employees, investing in infrastructure, and cutting taxes are likely to receive significant focus during the Legislative session. The New Mexico Municipal League is supporting two important bills in the 2022 Regular Session that will benefit municipalities financially by restoring an important revenue source for cities and increasing funding to local law enforcement.

**Budget Outlook.** Bolstered by record levels of oil production in the state, recurring General Fund revenues are expected to exceed \$9 billion in Fiscal Year 2023, representing close to \$1.6 billion of “new money.” Increased revenues will also benefit the Early Childhood Trust Fund, with over \$1 billion in oil and gas federal royalty revenues likely going to the fund, assuming continued royalty revenues. In addition to record General Fund revenues, the state has approximately \$1 billion in American Rescue Plan Act (ARPA) federal stimulus funds available, plus an additional \$133 million in ARPA capital funds, which will be used primarily for broadband and other digital connectivity projects. The FY23 Executive and Legislative Finance Committee General Fund recommendations for the General Appropriations Act (House Bill 2) are close - \$8.44 billion for the Executive budget versus \$8.46 billion for the LFC budget.

**Legislative and Executive Priorities.** In addition to passing a state budget, issues likely to be a focus of the 30-day session include addressing crime, shoring up pay for public servants, and tax cuts. Because this is a 30-day session, any proposed legislation must either have a budget impact or be on the Governor’s agenda. Legislative priorities cited by the Governor include reducing the state GRT rate of 5.125% by one-quarter percent, exempting some Social Security income from taxation, and increasing pay for both teachers and state police officers. A reduction in the state GRT rate would not have a direct impact on cities, however, as the cut would come out of the state’s share, not cities’ share.

Infrastructure projects are also likely to receive significant attention in 2022, given the opportunity to use surplus General Fund revenues, as well as ARPA funds, to make significant investments in roads, airports, dams, water and wastewater systems, and broadband systems across the state. Legislators are likely to prioritize “shovel-ready” projects in an effort to spend funds in a timely manner.

### **League Priority Legislation**

The League is supporting two key bills in the 2022 session:

**Senate Bill 137 (Distribute Part of GRT on Services to Munis) restores cities' local share of state GRT on sales of services, an important source of municipal revenue.** SB137 was introduced by Senators Gay Kernan and Roberto “Bobby” Gonzales. Historically, cities have received 1.225% - approximately one-quarter of the state GRT rate of 5.125% - of net receipts from sellers within a city. As an unintended consequence of moving to destination sourcing as part of House Bill 6 (2019), cities no longer receive their local share of state GRT on sales to buyers outside the city – even when the seller is in the city. Instead, the state now retains that money. Unfortunately, there was no policy discussion of this revenue impact, and the revenue loss was not identified in fiscal impact reviews of the bill. We believe that this revenue belongs with cities. Cities provide infrastructure, services, and economic development for businesses operating within city limits, and the local distribution allows cities to provide adequate services for local businesses.

The 30-day regular session (Second Session of the 55<sup>th</sup> Legislature) runs through February 17.

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 10 for a summary of how legislation is passed in New Mexico.

We strongly support SB137, which would restore the local distribution on nearly all sales of services in a city, regardless of whether the buyer is in the city or not. This bill provision would not reverse destination-based sourcing, so would not affect tax rates or taxes paid by buyers or sellers, nor would it affect county revenues.

SB137 also asks the Taxation and Revenue Department to create and implement codes that identify a seller's location, in addition to existing codes for the buyer's location. Adding these codes will provide more comprehensive and detailed data for local governments, allowing for more accurate revenue projections and targeting of economic development dollars and efforts. For example, cities would be able to identify how much of GRT comes from internet sales revenue versus in-person retail sales.

SB137 will be heard in the Senate Tax, Business and Transportation Committee and the Senate Finance Committee.

The second bill the League is supporting is **Senate Bill 3 (Enhancing Death Benefits for Law Enforcement), which will increase funding to local law enforcement agencies and provide more money for families of fallen officers.** SB3 was introduced by Senator George Munoz. Under current law, municipal police departments will receive \$45,000 per department plus \$1,000 per officer beginning in July 2022. SB3 would increase those distributions to \$95,000 per department plus \$1,500 per officer. The funding, which comes from the Law Enforcement Protection Fund, can be used for training and equipment needs. The bill would also direct any balances in the fund to the Peace Officers' Survivors Fund, which provides benefits for surviving spouses, children, and parents of officers killed in action, and would raise the death benefit from \$250,000 to \$1 million to better align with the costs of raising children and replacing lost income. We believe this bill provides needed funding to support the modernization of local police departments.

SB3 will be heard in the Senate Public Health Affairs Committee, followed by the Senate Finance Committee. A duplicate House bill, sponsored by Representatives Doreen Gallegos and Meredith Dixon, will be filed as well.

See attached briefing sheets for more information about the above bills.

### Other Substantive Legislation

- **House Bill 50**, introduced by Rep. Phelps Anderson, would allow retired public employees to return to work for a public state or local employer after a year of retirement, and continue to receive a pension while working for the public employer. The provisions in HB50 would be a useful tool for municipal governments

and law enforcement departments to fill staff vacancies by drawing on a pool of experienced former employees. Employment in municipal governments has lagged, even as private sector employment has recovered.

- **Senate Bill 27**, introduced by Sen. Ron Griggs, would allow municipalities with populations under 10,000 that did not have hold harmless GRT increments in effect on June 30, 2019, to receive maximum “hold harmless” distributions. Other municipalities would receive 50% of the maximum distribution. Hold harmless distributions compensate local governments for lost GRT revenue from exemptions on food and medical sales beginning in 2005.
- **House Bill 62**, introduced by Representatives Meredith Dixon, Susan Herrera, and Christine Chandler, would create a Grant Opportunities Council within the Department of Finance and Administration to assist DFA in identifying, securing, and tracking federal and other grants. The council would support local governments in obtaining grants. The bill would also create a matching grants fund, with a \$1 million annual appropriation to help municipalities and counties meet match requirements for grants, with priority for rural and frontier communities.

## Legislation to Watch (as of January 20, 2022)

**HB 14** Chandler, Christine BONDS & GRT DEDUCTION FOR ELECTRIC STORAGE House Bill 14 (HB 14) amends Industrial Revenue Bond (IRB) Act and the County IRB Act to make electric energy storage facilities eligible for revenue bond funding. HB 14 exempts the sale of energy storage equipment to government entities from Gross Receipts Tax. HPREF [2] HENRC/HTRC-HENRC

**HB 30** Rehm, William LIMIT CAR SALE LOCATIONS & SELLERS House Bill 30 (HB 30) amends Motor Vehicle statutes to limit the locations where a motor vehicle may be sold or offered for sale. HB 30 also limits the number of sales per year for a person who is not a dealer and prohibits the sale of a motor vehicle by a non-owner who is not a motor vehicle dealer. HPREF [2] not prntd-HRC

**HB 32** Trujillo, Christine FEMININE HYGIENE PRODUCT GROSS RECEIPTS House Bill 32 (HB 32) relates to taxation. HB 32 provides gross receipts tax and governmental gross receipts tax deductions for feminine hygiene products. HB 32 requires annual reporting. The provisions of this act are effective July 01, 2022. HPREF [2] HHHHC/HTRC-HHHHC

**HB 33** Ferrary, Joanne CIGARETTE AND TOBACCO PRODUCTS TAX House Bill 33 (HB 33) increases the cigarette tax from 10 cents to 20 cents a cigarette, increases the tax on tobacco products, includes nicotine in the definition of tobacco product, and decreases the distribution of cigarette taxes. HPREF [2] HHHHC/HTRC-HHHHC

**HB 34** Ferrary, Joanne SOLAR MARKET DEVELOPMENT TAX CREDIT EXTENSION House Bill 34 (HB 34) makes three changes to the New Solar Market Development Income Tax Credit: extends the credit by four additional years; doubles the aggregate credit cap to \$16 million; and makes the credit refundable to taxpayers. HPREF [2] HENRC/HTRC-HENRC

**HB 39** Gallegos, Doreen Y GRT DEDUCTION FOR NONATHLETIC SPECIAL EVENTS House Bill 39 (HB 39) extends the deduction from gross receipts and governmental gross receipts for nonathletic special events at post-secondary educational institutions. HPREF [2] HEC/HTRC-HEC

**HB 41** Herrera, Susan K WATER TRUST FUND House Bill 41 (HB 41) appropriates sixty million dollars (\$60,000,000) to the Water Trust Fund. HPREF [2] HAAWC/HAFC-HAAWC

**HB 42** Herrera, Susan K PUBLIC PROJECT REVOLVING FUND PROJECTS House Bill 42 (HB 42) authorizes loans for various public projects from the Public Project Revolving Fund. This bill has an emergency clause, to take effect immediately. HPREF [2] not prntd-HRC

**HB 47** Chandler, Christine sb 37 House Bill 47 (HB 47) exempts personal care services, home health care, and hospice care from Gross Receipts Tax when the service occurs in the state (destination sourcing) and declares an emergency. HPREF [2] HHHHC/HTRC-HHHHC

**HB 48** Brown, Cathrynn N EXEMPT SOCIAL SECURITY INCOME FROM INCOME TAX House Bill 48 (HB 48) exempts Social Security benefits from state income tax. HB 48 prohibits taxpayers from claiming both the over 65 and blind exemption and the proposed Social Security exemption. HPREF [2] HLVMC/HTRC-HLVMC

**HB 49** Armstrong, Gail "Missy" EXEMPT SOCIAL SECURITY INCOME FROM INCOME TAX House Bill 49 (HB 49) gradually exempts 100% Social Security benefits from state income tax over six years in 20% increments. HB 49 prohibits taxpayers from claiming both the over 65 and blind exemption and the proposed Social Security exemption. HPREF [2] HCPAC/HTRC-HCPAC

**HB 50** Anderson, Phelps PUBLIC RETIREES RETURNING TO WORK House Bill 50 (HB 50) relates to public employee retirement. HB 50 allows public employees to return to work for affiliated public employers under certain conditions. HPREF [2] HLVMC/HJC-HLVMC

**HB 51** Anderson, Phelps PERA BOARD MEMBERS, ELECTION & NOTICE House Bill 51 (HB 51) changes the composition of the Public Employees Retirement Board and certain election requirements. HB 51 requires written notice of an emergency meeting. HPREF [2] not prntd-HRC

**HB 54** Rehm, William CANNABIS & DWI TESTING House Bill (HB 54) relates to driving under the influence of intoxicating liquor, drugs, or adult-use recreational cannabis. HB 54 addresses road safety issues related to the legalization of adult-use recreational cannabis. HB 54 provides for testimony by interactive video. HB 54 prohibits driving with certain amounts of controlled substances or metabolites in the blood. HB 54 changes the requirements for testing the blood of a person suspected of operating a motor vehicle while under the influence of intoxicating liquor or drugs. HB 54 provides that certain medical professionals are authorized to withdraw blood in the performance of a chemical blood test for driving a motor vehicle or operating a motorboat under the influence of intoxicating liquor or drugs. HB 54 clarifies that the chemical blood test may be for drugs or alcohol. HB 54 provides for implied consent to a laboratory analyst's appearance by video. HB 54 provides that the ignition interlock requirement only applies to offenders with alcohol concentration in their blood or breath. HPREF [2] not prntd-HRC

**HB 6** Small, Nathan CLEAN FUTURE ACT House Bill 6 (HB 6) enacts the Clean Future Act and new sections of the Air Quality Control Act and provides powers and duties. HB 6 establishes greenhouse gas emissions limits. It directs the Environmental Improvement Board to adopt rules to reduce greenhouse gas emissions and directs the assessment of fees. It creates a fund and makes an appropriation. HPREF [2] HENRC/HGEIC-HENRC

**HB 62** Dixon, Meridith GRANT OPPORTUNITIES COUNCIL House Bill 62 (HB 62) creates the Grant Opportunities Council which advises the Department of Finance and Administration on grant matters and creates the Grants Matching Fund which allows grants for projects that provide services to rural and smaller communities. HB 62 appropriates \$1,000,000 to help political subdivisions meet grant matching requirements. HPREF [2] HGEIC/HAFC-HGEIC

**HB 67** Chandler, Christine TECH READINESS GROSS RECEIPTS TAX CREDIT House Bill 67 (HB 67) extends the Technology Readiness Gross Receipts Tax Credit and repeals the tax credit fund. HPREF [2] HCEDC/HTRC-HCEDC

**HB 69** Dixon, Meridith CREATING THE CRIME OF OPERATING A CHOP SHOP House Bill 69 (HB 69) creates the crime of operating a chop shop, the crime of criminal damage to property by theft or attempted theft of regulated material, and prohibits a secondhand metal dealer from purchasing or receiving regulated material. HPREF [2] HCPAC/HJC/HAFC-HCPAC

**HB 71** McQueen, Matthew LIMIT PROPERTY TAX VALUATION INCREASE House Bill 71 (HB 71) proposes that beginning in 2024, a principal residence's property tax valuation is limited to a 3% increase in one year. HB 71 limits property tax of a residence that is not a primary residence to 10%. HPREF [2] HCPAC/HTRC-HCPAC

**HB 72** McQueen, Matthew SPACE TICKET GROSS RECEIPTS House Bill 72 (HB 72) clarifies that ticket sales or services to transport people into or near space are not deducted from Gross Receipts Tax in certain cases. HPREF [2] HCEDC/HTRC-HCEDC

**HB 74** Figueroa, Natalie RETIREE HEALTH CARE FUND CONTRIBUTIONS HB 74 relates to retiree health care by increasing employee and employer contribution rates to the Retiree Health Care Fund. HPREF [2] not prntd-HRC

**HB 75** Roybal Caballero, Patricia PUBLIC BANKING ACT House Bill 75 (HB 75) relates to public finance. HB 75 enacts the Public Banking Act. HB 75 creates the Public Bank of New Mexico. HB 75 establishes a Board of Directors and the structure of the Public Bank of New Mexico. HB 75 provides duties. HB 75 permits certain investments. HB 75 prohibits conflicts of interest. HB 75 creates the State Banking Fund. HB 75 requires the State Treasurer to deposit and maintain a certain amount of public money in the Public Bank of New Mexico. HB 75 provides penalties. HB 75 makes an appropriation. HPREF [2] HCEDC/HAFC-HCEDC

**HB 76** Anderson, Phelps MILITARY RETIREMENT INCOME TAX EXEMPTION House Bill 76 (HB 76) proposes an Income Tax Exemption of military retirement pay not to exceed \$30,000. HPREF [2] HLMVC/HTRC-HLMVC

**HB 77** Roybal Caballero, Patricia INVESTMENT STAFF PAY PARITY House Bill 77 (HB 77) requires pay parity for certain investment staff and permits an employer to provide alternative qualifications for certain investment staff. HPREF [2] not prntd-HRC

**HB 78** Roybal Caballero, Patricia CAP ON CERTAIN INTEREST RATES House Bill 78 (HB 78) relates to lending. HB 78 imposes a cap on interest rates. HB 78 voids contracts that exceed the interest rate cap. HB 78 lowers the maximum annual percentage rate for loans pursuant to the New Mexico Bank Installment Loan Act of 1959 and the New Mexico Small Loan Act of 1955. HPREF [2] not prntd-HRC

**HJR 2** Ferrary, Joanne ENVIRONMENTAL RIGHTS, CA House Joint Resolution 0002 (HJR 2) proposes to amend the NM Constitution by adding a new section to Article 2 that provides the people of the state with environmental rights and directs the state to protect environmental resources for the benefit of all the people. It repeals the current pollution control provisions of Article 20, Section 21 of the NM Constitution. HPREF

**SB 21** Tallman, Bill RELATING TO ELECTRIC MOTOR VEHICLES; CREATING THE ELECTRIC VEHICLE INCOME TAX CREDIT; CREATING THE ELECTRIC VEHICLE CHARGING UNIT INCOME TAX CREDIT; REQUIRING AN ADDITIONAL REGISTRATION FEE FOR ELECTRIC Senate Bill 21 (SB21) creates the Electric Vehicle Income Tax Credit. SB 21 creates the Electric Vehicle Charging Unit Income Tax Credit. SB 21 requires an additional registration fee for electric and plug-in hybrid vehicles and provides for an additional registration fee to be distributed to the State Road Fund and the Local Governments Road Fund. [1] SCC/STBTC/SFC-SCC [2]germane-STBTC

**SB 39** Shendo, Benny RELATING TO PROCUREMENT; INCREASING THE PREFERENCE FOR NEW MEXICO RESIDENT BUSINESSES AND CONTRACTORS; ELIMINATING THE TIME LIMITATION FOR SPECIAL PREFERENCES FOR NEW MEXICO RESIDENT VETERAN BUSINESSES Senate Bill 39 (SB39) relates to procurement. SB 39 increases the preference for New Mexico resident businesses and contractors and eliminates the time limitation for special preferences for New Mexico resident veteran businesses and resident veteran contractors. SB 39 provides for a preference for New Mexico Native American resident and resident veteran businesses and contractors. [1] SCC/SIRC/STBTC-SCC [4]germane-SIRC

**SB 102** Tallman, Bill PERA BOARD MEMBER CHANGES Senate Bill 102 (SB 102) reduces the membership and changes the composition of the Public Employees Retirement Board and provides requirements for certain retirement board members. [1] SCC/SRC/SJC-SCC

**SB 14** Stewart, Mimi ENACTING THE CLEAN FUEL STANDARD ACT Senate Bill 14 (SB 14) enacts the Clean Fuel Standard Act that provides for the establishment of a clean fuel standard for transportation fuels, the assessment of an annual registration fee, and the creation of the Clean Fuel Standard Fund. SB directs the state Environmental Improvement Board to promulgate rules to implement the Clean Fuel Standard Act and makes an appropriation. [1] SCC/STBTC/SFC-SCC [2]germane-STBTC

**SB 17** Ingle, Stuart AUTHORIZATION FOR CERTAIN WATER PROJECTS Senate Bill 17 (SB 17) authorizes the New Mexico Finance Authority to make loans or grants from the Water Project Fund for certain water projects and declares an emergency. SB 17 declares an emergency. The NM Finance Authority Oversight Committee requested the introduction of SB 17. [1] SCC/SCONC/SFC-SCC [2]germane-SCONC

**SB 18** Stefanics, Elizabeth "Liz" APPROPRIATION TO THE WATER TRUST FUND Senate Bill 18 (SB 18) appropriates fifty million dollars (\$50,000,000) to the Water Trust Fund [1] SCC/SCONC/SFC-SCC [2]germane-SCONC

**SB 19** Rodriguez, Nancy NEW MEXICO HOUSING TRUST FUND Senate Bill (SB) makes a recurring appropriation starting in FY2023, from the General Fund to the New Mexico Housing Trust for the New Mexico Mortgage Finance Authority to carry out the provisions of the New Mexico Housing Trust Act. [1] SCC/SHPAC/SFC-SCC [2]germane-SHPAC

**SB 26** Shendo, Benny HOLD HARMLESS DISTRIBUTIONS Senate Bill 26 (SB 26) permits certain municipalities to retain hold harmless distributions for food and health care practitioner services. SB 26 clarifies that some local governments

are exempt from the phased out distributions if they did not implement a hold harmless Gross Receipts Tax on June 30, 2019.  
[1] SCC/STBTC/SFC-SCC [2]germane-STBTC

**SB 27** Griggs, Ron LOCAL GOVERNMENTS HOLD HARMLESS DEDUCTIONS Senate Bill 27 (SB 27)  
keeps the hold harmless distribution permanent at 50% for certain local governments. [1] SCC/STBTC/SFC-SCC  
[2]germane-STBTC

**SB 3** Munoz, George K ENHANCING DEATH BENEFITS FOR LAW ENFORCEMENT Senate Bill (SB)  
relates to law enforcement. SB enhances death benefits for peace officers, New Mexico Mounted Patrol Members, and reserve  
police officers. SB changes distributions from the Law Enforcement Protection Fund. [1] SCC/SHPAC/SFC-SCC-  
germane-SHPAC

**SB 30** Jaramillo, Leo REGIONAL TRANSIT GRT DISTRIBUTIONSSenate Bill 30 (SB30) addresses gross receipts tax  
distributions to regional transit districts. SB30 provides that revenue from a regional transit gross receipts tax imposed by a  
county be distributed directly to the district. [1] SCC/STBTC/SFC-SCC-germane-STBTC

**SB 37** Rodriguez, Nancy PUBLIC PROJECT REVOLVING FUND APPROPRIATIONS Senate Bill 37 (SB 37)  
makes non-reverting appropriations from the Public Project Revolving Fund to the Drinking Water State Revolving Loan  
Fund, the Wastewater Facility Construction Loan Fund, and the Cultural Affairs Facilities Infrastructure Fund. [1]  
SCC/SCONC/SFC-SCC-germane-SCONC

**SB 4** Duhigg, Katy PREVAILING WAGE AND FRINGE BENEFIT RATES Senate Bill 221238 (SB 221238)  
amends Minimum Wages on Public Works to specify the determination date and implementation date for prevailing wage and  
fringe benefit rates. SB 221238 also provides the an appeal will not stay the rate implementation unless modified by a final  
decision of the Labor and Industrial Commission or final judgment of a district court. [1] SCC/SHPAC/SJC-SCC  
[2]germane-SHPAC

**SB 42** Padilla, Michael UTILITY EASEMENTS FOR BROADBAND ACT Senate Bill 42 (SB 42) enacts the Utility  
Easements for Broadband Act (UEFBA) that authorizes the use and sharing of utility easements for the provision of  
communications service throughout the state. It requires notice to the property owner; provides for optional recording of such  
notice; establishes claims pursuant to the use of utility easements; allows cost recovery for communications infrastructure  
projects; and provides definitions. [1] SCC/STBTC/SJC-SCC

**SB 44** Soules, William NEW SOLAR MRKT DEV INCOME TAX CREDIT CHANGES Senate Bill 44 (SB 44)  
makes three changes to the New Solar Market Development Income Tax Credit: extends the credit by four additional years;  
doubles the aggregate credit cap to \$16 million; and makes the credit refundable to taxpayers.[1] SCC/STBTC/SFC-SCC-  
germane-STBTC

**SB 45** Pope, Harold James VETERAN BUSINESS & CONTRACTOR PROCUREMENT Senate Bill 221815 (SB  
221815) repeals a section of Public Purchases and Property addressing procurement, which makes permanent the certification  
of a resident veteran business and resident veteran contractor. [1] SCC/SHPAC/STBTC-SCC

**SB 47** Steinborn, Jeff SUBSTANCE USE DISORDER TREATMENT FUND SB47 creates the Substance Use Disorder  
Treatment Fund. A distribution of 10% of the net receipts from the Cannabis Excise Tax will be distributed to this new fund.  
The fund shall be administered by the Human Services Department for use in providing statewide substance use disorder  
treatment. [1] SCC/SHPAC/SFC-SCC

**SB 49** Tallman, Bill EXEMPT SOCIAL SECURITY FROM INCOME TAX This bill increases the cigarette tax from  
10 cents to 15 cents a cigarette, increases the tax on tobacco products, includes nicotine in the definition of tobacco product,  
decreases the distribution of cigarette taxes, and exempts social security income from income tax for certain individuals.  
[1] SCC/STBTC/SFC-SCC-germane-STBTC

**SB 5** Gonzales, Roberto "Bobby" REDUCING RATES OF GROSS RECEIPTS TAX Senate Bill 5 (SB 5)  
reduces Gross Receipts and Compensating Tax (CRT) rates from 5.125 to 4.875 and defines what a disclosed agency is in  
GRT Act. [1] SCC/STBTC/SFC-SCC [2]germane-STBTC

**SB 51** Tallman, Bill CREATE PUBLIC WORKS COMMISSION Senate Bill 51 (SB 51) creates a 12-member Public Works Commission (PWC) appointed by the legislature and will proportionally represent political parties. Four public members with expertise in architecture or engineering will also be appointed. SB51 directs the speaker of the house and the committees' committee or the president pro tem to select the PWC chair and vice chair, and to remove a member for nonattendance. Majority approval is required for any action. SB51 appropriates \$335,000 in recurring funds to PWC to meet the bill's provisions. [1] SCC/SRC/SFC-SCC

**SB 60** Padilla, Michael FILM COMPANY SECURITY GROSS RECEIPTS Senate Bill 60 (SB 60) enacts a new section of the Gross Receipts Compensating Tax Act to provide a Gross Receipts Tax Deduction for security services sold to a film production company to take effect in July of 2022. [1] SCC/STBTC/SFC-SCC

**SB 61** Steinborn, Jeff LOBBYIST REPORT CHANGES Senate Bill 61 (SB 61) adds a new section to the Lobbyist Regulation Act requiring post-session reports on what legislation a lobbyist or lobbyist's employer lobbied and amends Section 2-11-7 NMSA 1978. [1] SCC/SRC/SHPAC-SCC

**SB 69** Tallman, Bill JOB CREATION REPORTING REQUIREMENTS Senate Bill 69 (SB 69) relates to economic development. SB requires receipts of public support from the state pursuant to the Local Economic Development Act to report job creation and capital investment information. SB 69 requires the Taxation and Revenue Department to compile and present a tax expenditure budget and analyses of certain tax expenditures to the Governor and the legislative committees. SB 69 makes a nonrecurring appropriation in FY2023. [1] SCC/STBTC/SFC-SCC

**SB 74** Steinborn, Jeff LOBBYIST DEFINITIONS Senate Bill 74 (SB 74) amends the Lobbyist Regulation Act by defining "advertising campaign" and requiring lobbyists to report compensation received for lobbying. It makes technical changes to the advertising campaign reporting requirements. [1] SCC/SRC/SJC-SCC

**SB 76** Gonzales, Roberto "Bobby" RURAL AIR SERVICE CHANGES Senate Bill 76 (SB 76) relates to aviation by amending the Rural Air Service Enchantment Act to broaden eligibility for Rural Air Service Enhancement Grants, temporarily reserving a portion of the Rural Air Service Enhancement Fund for eligible applicants with new or expanded air routes to be used by aircraft with a capacity of not more than nine persons. An appropriation is included in this Act. [1] SCC/STBTC/SFC-SCC

**SB 88** Stefanics, Elizabeth "Liz" VOLUNTEER FIRE DEPT. TRAINING Senate Bill 88 (SB 88) makes an appropriation to the Local Government Division of the Department of Finance and Administration for training materials and instruction of volunteer firefighters at the Fire Department for the Tajiue and Torreon Fire Department. [1] SCC/SCONC/SFC-SCC

**SB 98** Padilla, Michael CYBERSECURITY ACT Senate Bill 98 (SB 98) relates to cybersecurity by enacting the Cybersecurity Act and establishing the Cybersecurity Office, creating the Cybersecurity Advisory Committee, establishing the Intragovernmental Cybersecurity Coordinating Committee, creating the State Chief of Information Security and Chief Information Security Officers for the Administrative Office of the Courts, and the Legislative Council Services, providing powers and duties, requiring rulemaking and reports, making appropriations, and declaring an emergency. [1] SCC/SRC/SFC-SCC

**SB 99** Jaramillo, Leo STATE TRANSIT FUND Senate Bill 99 (SB 99) relates to transportation by creating the State Transit Fund by allowing money in the fund to provide up to fifty percent of matching funds for public transit agencies and making an appropriation.[1] SCC/STBTC/SFC-SCC

**SJM 2** Stewart, Mimi NATIONAL BIODIVERSITY STRATEGY Senate Joint Memorial 2 (SJM 2) requests the federal government to establish a National Biodiversity Strategy with the support of Congress, federal agencies and state, local and tribal governments. It requests all parties to support the National Biodiversity Strategy and take actions to protect species and habitats and help forestall the loss of biodiversity. [1] SRC/SCONC-SRC

**SJR 1** Tallman, Bill NONPARTISAN OPEN PRIMARY ELECTIONS, CA Senate Joint Resolution 1 (SJR 1) is a Joint Resolution proposing to amend Article 5, Section 2 and Article 7, Section 5 of the constitution to require primary

elections for statewide offices, legislative offices and United States congressional offices to be nonpartisan open primary elections and to require instant runoffs to be used for general elections for these offices. [1] SRC/SJC-SRC

**SJR 2** Sedillo-Lopez, Antoinette ENVIRONMENTAL RIGHTS, CA Senate Joint Resolution 2 (SJR 2) proposes to amend the NM Constitution by adding a new section to Article 2 that provides the people of the state with environmental rights and directs the state to protect environmental resources for the benefit of all the people. It repeals the current pollution control provisions of Article 20, Section 21 of the NM Constitution. [1] SRC/SJC/SFC-SRC

**SJR 4** Tallman, Bill PRIMARY ELECTION CHANGES, CA Senate Joint Resolution 4 (SJR 4) proposes to amend Article 7 of the NM Constitution to allow voters who have not selected a party affiliation to vote in the primary election of a political party. It provides political parties the option of allowing only party members to participate in the party's nomination process as long as that the party pays the costs of that process. [1] SRC/SJC-SRC

**SM 6** Neville, Steven P. STUDY UNIFIED JAIL & PRISON SYSTEM Senate Memorial 6 (SM 6) calls for a task force to be convened by the New Mexico Association of Counties to study the feasibility of transitioning individual county detention centers to a unified jail and prison system. [1] SRC/SJC-SRC

## **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.

---

## **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