

# LEGISLATIVE BULLETIN

VOL. 2015-2

JANUARY 30, 2015

Bill introductions in both Houses reflect the nature of a 60-day session – anything goes. As of Wednesday, January 28, there are 346 Senate bills and 253 House bills. And Memorials continue to be introduced covering a variety of topics. The new House leadership reorganized several committees, eliminating two, adding two others and changing the names of some. This has resulted in new committee chairs that will surely have an effect on how smoothly legislation passes through the House.

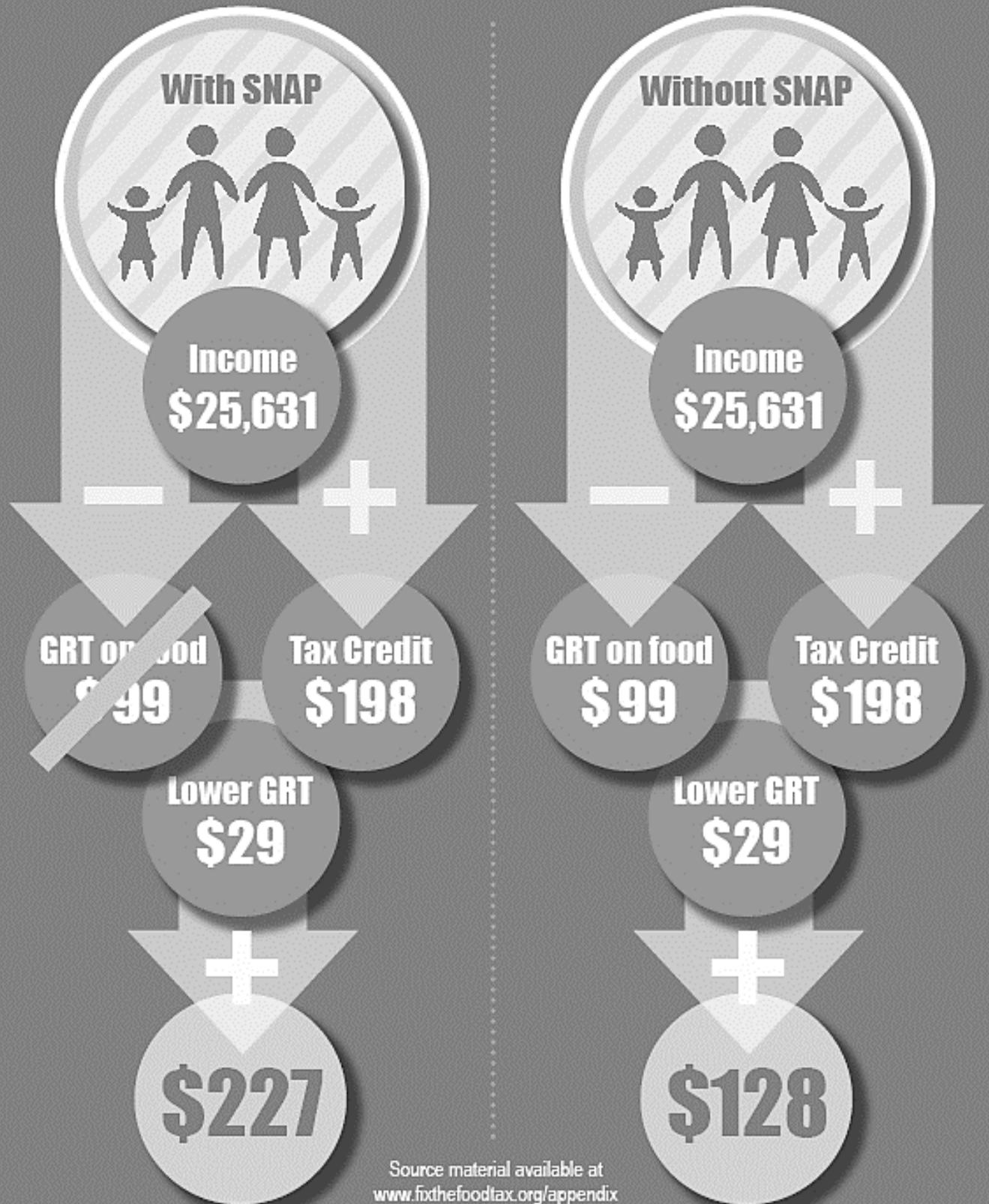
## Senate Bill 274 - Fixing the Problem

Senate Bill 274, Hold Harmless & Fund Deduction Changes, introduced by Senator John Arthur Smith, makes several changes to the municipal and county hold harmless issue. The tables below presents current hold harmless problems and proposed changes under SB 274.

Do nothing...	Fix the problem...
<b>Hold Harmless</b>	
<ul style="list-style-type: none"><li>• GRT increases to more than 9 percent in some locations</li><li>• Many municipalities are left with a deficit even after increasing local GRT</li><li>• Residents of some counties bear the burden of tax increases that generate up to 10 times the amount of lost hold-harmless payments</li></ul>	<ul style="list-style-type: none"><li>• The state is relieved of payments to cities and counties</li><li>• Payment cessation is revenue-neutral but payment administrative costs are eliminated</li></ul>
<b>GRT Rates</b>	
<ul style="list-style-type: none"><li>• Businesses lose competitiveness as higher GRT increases their costs</li><li>• Low-income New Mexicans pay more for non-food necessities such as childcare, cleaning supplies and diapers</li></ul>	<ul style="list-style-type: none"><li>• State rate decreases from 5.125 percent to 5 percent to restore GRT – and the economy – to pre-recession levels</li><li>• Local increases allowed under 2013 legislation are repealed, lowering overall GRT and halting the revenue grab that has pit county against municipality</li></ul>
<b>Local Tax on Food</b>	
<ul style="list-style-type: none"><li>• Local governments are forced to cut budgets – and essential services</li><li>• Tax system becomes more confusing as municipalities lobby for band aid approaches to avoid hold-harmless phase-out</li></ul>	<ul style="list-style-type: none"><li>• Food subject to only the local rate of about 2 to 4 percent</li><li>• 20 percent of New Mexicans continue to be exempt because they receive SNAP benefits, which are not taxed</li></ul>
<b>Tax Credits</b>	
<ul style="list-style-type: none"><li>• Working Family Tax Credit remains at 10 percent of federal Earned Income Tax Credit</li></ul>	<ul style="list-style-type: none"><li>• Working Family Tax Credit increases to 14 percent, delivering an additional \$22 million to low-income residents</li></ul>

① More information on SB 274 at [www.fixthefoodtax.org](http://www.fixthefoodtax.org)

# How low-income families fare with SB 274



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## LEAGUE OFFICE PARKING DURING THE SESSION

*Because of the demand for parking around the Capitol during the session, we must protect the availability of parking for our municipal officials and staff. In order to reduce the possibility of accidents, a few areas in our lots are designated by signs as “NO PARKING” AREAS.” If you are visiting the session and need to park in the League lots, please help us by observing the following rules:*

- 1. Do not park in the areas designated as “NO PARKING” zones.*
  - 2. Obtain a League Parking Permit from the reception desk and leave it on the rear-view mirror of your car so that it’s easily visible.*
  - 3. DOUBLE PARKING OR PARKING BEHIND ANOTHER CAR IS NO LONGER PERMITTED IN OUR LOTS.*
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## YOUR LEGISLATIVE BULLETIN

This is the first in the series of weekly League **Legislative Bulletins** designed to communicate with municipal officials, legislators and the Executive Branch of state government.

The **Bulletin** will be sent by first class mail from Santa Fe each Friday afternoon so that it should arrive at its destination by the following Monday morning.

*If you would like to receive the Bulletin electronically, we will send you a link by email each Friday. You can contact Roger Makin via e-mail ([rmakin@nmml.org](mailto:rmakin@nmml.org)) or by fax (505-984-1392). Please be sure to include your name, title, municipality or agency, mailing address, and e-mail address. The Bulletin will also be posted each Friday on the League’s website at [www.nmml.org](http://www.nmml.org). We urge you to take advantage of this service in order to reduce mailing costs and time delays.*

Municipal officials who receive the **Bulletin** include all mayors, commissioners, councilors, trustees, managers, clerks, municipal judges, police chiefs and many other municipal officials.

The **Legislative Bulletin** contains:

- ◆ a brief review of all bills of municipal interest of which we have received a copy since the prior Bulletin (it will save you and us time if you make a note of the House or Senate Bill number you are interested in);
- ◆ a brief analysis of key legislative developments of the past week;
- ◆ detailed explanations of key municipal bills; and, perhaps,
- ◆ an Action Call if any important municipal bill is scheduled to be heard in committee or on the floor of either house.

Your legislator can be reached by name through the **Legislative Switchboard: (505) 986-4300** in Santa Fe. For those of you on line, the Legislature’s web site also contains the e-mail addresses of those legislators who use the service. That address is: <http://www.nmlegis.gov>. Also check the League’s web site ([www.nmml.org](http://www.nmml.org)) for League information.

## CAPITAL PROJECT FUNDING BILLS

Capital outlay project requests in recent years have not been introduced as legislative bills, but submitted as “capital outlay requests.” All approved requests are then included in a major capital outlay bill for final passage.

In past years we have reported these requests as we received the printed copies. The legislature will track all capital outlay requests electronically only. Therefore, we are no longer able to report the requests for you as we had in the past. However, the good news is that all requests will be listed on the legislative web site at [legis.state.nm.us](http://legis.state.nm.us) (click on Bill Finder on the left, then on Capital Outlay). Each request is listed under the appropriate county and then alphabetically by title and includes the description of the request along with the dollar amount. Legislative Council Service will be updating the information every Tuesday and Friday evenings so the new introductions will be available for you early on Wednesdays and Saturdays. We checked the site today and think you will find it an easy way to find your special projects. As always, you can contact your legislators directly to find out when your project will be scheduled for hearing.

## BIOGRAPHY 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 30th day of a 60-day session (**February 19**). 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 severely 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 very interested in a particular bill, do not be dismayed if it seems to sit for a long time in committee, particularly in a tax, finance or appropriations committee. Bills which ask for money or for taxing authority often lie dormant until the last few days of a session and then move with unbelievable speed.

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

In the second house 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 house for consideration and may from there be referred, tabled, passed or defeated.

If the bill passes the second house and it has been amended or substituted by the second house, the originating house must concur or fail to concur with the changes. If the originating house fails to concur, a conference committee representing both houses is appointed to decide what to present to both houses for acceptance.

A bill that has been passed in some agreed-upon form by both the House and the Senate goes to the Governor for signature. The Governor may choose to sign or to 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 is dead. Most bills do not reach the Governor's desk before the Legislature adjourns (**Noon, March 21**). The Governor has 20 days following the close of the session (**Noon, April 10**) to sign, veto or fail to sign (*pocket veto*) any bill that he did not act on during the session. Any bill is much more likely to have died in committee or on the floor before even reaching the Governor's desk.

In New Mexico, no more than 1/4 to 1/3 of bills introduced ever make it all the way to enactment. The historic trend in New Mexico is for more and more introductions each succeeding session.

### ABBREVIATION CODE

HB	House Bill	SB	Senate Bill
HCR	House Concurrent Resolution	SCR	Senate Concurrent Resolution
HJR	House Joint Resolution	SJR	Senate Joint resolution
HJM	House Joint Memorial	SJM	Senate Joint Memorial
HM	House Memorial	SM	Senate Memorial

\* Contains Emergency Clause (effective immediately on Governor's signing)  
 CA - Constitutional Amendment (requires approval by statewide electorate)

<p><b>HOUSE COMMITTEES</b></p> <p>HAFC Appropriations and Finance              HAWC Agriculture, Water &amp; Wildlife              HBEC Business and Employment              HCW Committee of the Whole              HEC Education              HEENC Energy, Environment &amp; Natural Resources              HEEC Enrolling and Engrossing              HGEIC Government, Elections &amp; Indian Affairs              HHC Health              HJC Judiciary              HRPAC Regulatory &amp; Public Affairs              HPSC Printing and Supplies              HRC Rules and Order of Business              HSCAC Safety &amp; Civil Affairs              HTPWC Transportation and Public Works</p>	<p style="text-align: center;"><b>SENATE COMMITTEES</b></p> <p>HWMC Ways &amp; Means              SCC Committee's Committee              SCONC Conservation              SCORC Corporations and Transportation              SCW Committee of the Whole              SEC Education              SFC Finance              SIAC Indian and Cultural Affairs              SJC Judiciary              SPAC Public Affairs              SRC Rules</p>
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## Bill Introductions Through Wednesday, January 28, 2015

- HB 24** **LOAN INTEREST RATE CAPS (Roybal Caballero)** Amends §§56-8-9, 56-8-13 and 58-7-1 and enacts new material in the New Mexico Bank Installment Loan Act of 1959 and the New Mexico Small Loan Act of 1955; the bill limits interest rates, including all fees and ancillary charges, to 36% per year, that may be charged on any extension of credit, unless covered by one of the exceptions stated in the bill. The bill repeals §58-15-33 regarding limits on fees and charges for payday loans. Effective 7/1/15. HPREF/HRPAC
- HB 33** **PIPELINE SAFETY ACT CIVIL PENALTIES (McCamley)** Amends §70-3-1; the bill changes the penalties for violations of the Pipeline Safety Act, §70-3-11 et seq., to those penalties stated in federal law or regulations, as determined by the Public Regulation Commission. Effective 7/1/15. HPREF/HSCAC/HEEWC
- HB 36** **LOAN INTEREST RATE CAPS (Chasey)** Amends §58-7-1 and enacts new material in the New Mexico Bank Installment Loan Act of 1959 and the New Mexico Small Loan Act of 1955; the bill limits interest rates, including fees and ancillary charges, to 36% per year, that may be charged on any extension of cred, unless covered by one of the exceptions stated in the bill. The bill repeals §58-15-33 regarding limits on fees and charges for payday loans. The bill is identical to HB 33 (Caballero), except does not amend §§56-8-9 and 56-8-13, relating to excessive charges on corporate or business debt. Effective 7/1/15. HPREF/HRPAC/HWMC
- HB 130** **STATE PROCUREMENT COMMITTEE & REVIEWS (Garcia Richard)** Amends §13-1-88 to define a small business that has an average number of employees in the preceding three fiscal years not to exceed 150; change the number of members of the state procurement standards and specifications committee from 11 to 13 adding two more public members; requires the committee to meet monthly and identify concerns about requests for proposals. Effective 7/1/15. HGEIC/HBEC
- HB 147** **ANIMAL SHELTERING BOARD TO ENVIRONMENT DEPARTMENT (Smith, James E and Sen. Daniel Ivey-Soto)** Amends §§77-1B-2 and 77-1B-4; the bill moves the oversight of the Animal Sheltering Board to the Environment Department from the Regulation and Licensing Department and moves administrative control of the animal care and facility fund to the Department of Environment. Effective 7/11/16. HAWC-HGEIC
- HB 148** **NO SMOKING IN CARS WITH MINORS (Steinborn and Wirth)** Amends §66-8-116 and enacts new material in the Motor Vehicle Code; the bill creates a penalty assessment misdemeanor of smoking in a motor vehicle when a minor is present with a penalty assessment of \$300 for the first offense and \$500 for each subsequent offense. HHC/HTPWC
- HB 151** **PRIMARY VOTING FOR SOME 17 YEAR-OLDS (Steinborn)** Amends §§1-4-2 and 1-15A-3; the bill provides that a person who is seventeen years of age and will be eighteen on or before day of the general election may register to vote prior to the primary election and may vote in the primary and general election. §1-15A-3 allows a major political party to opt out of conducting a presidential primary and choose an alternative method of selection of its candidate. The bill also permits a major political party to allow any person who is qualified to vote in the party's primary to participate in the alternative presidential candidate selection process. HGEIC/HJC
- HB 153** **DRIVER'S LICENSES EXPIRATION NOTICES (Steinborn)** Amends §§66-5-21, 66-5-67 and 66-5-403; the bill requires that notice of expiration of a driver's license, a commercial driver's license or an identification card be provided to the licensee 90 days prior to the date of expiration of the license or identification card, giving the date on which the license or identification card expires and the process for renewal of the license or identification card. Effective 7/1/15. HTPWC/HGEIC
- HB 157** **WATER PROJECT FUND MONEY FOR CONSERVATION (McCamley)** Amends §72-4A-9; the bill requires that at least 20% of the funds expended for loans and grants each year be used for water conservation projects. Effective 7/1/15. HAWC/HWMC

- HB 158 GROSS RECEIPTS RATE & DEDUCTIONS (McCamley)** Amends §7-9-4; the bill lowers the gross receipts tax rate by one tenth percent from 5.125% to 5.025% and repeals 10 sections of the Gross Receipts and Compensating Tax Act, all of which are deductions. The gross receipts deductions repealed include deductions on: receipts from publishing or selling of newspapers; certain receipts from horse racing; receipts from selling fuel for space vehicles; receipts from sales of certain items during the tax holiday in August; receipts from services sold and used out-of-state; receipts from selling or leasing property or services to a film production company; or 50% of the gross receipts of a hospital. The bill also repeals the governmental gross receipts deduction for stadium surcharge receipts. Effective 7/1/15. HRPAC/HWMC
- HB 160 CANNABIS REVENUE & FREEDOM (McCamley)** Enacts the Cannabis Revenue and Freedom Act and amends several sections of a variety of acts in the Criminal Code, the Tax Code and the Uniform Owner Resident Relations Act, among other acts; the bill provides for the licensing and regulation of the cultivation, sale and use of marijuana. EMERGENCY. HAWC/HRPAC/HWMC/HHC/HAFC
- HB 180 MINIMUM WAGE ACT “EMPLOYEE” DEFINITION (Maez)** Amends §50-4-21; the bill removes two categories of people from coverage by the Minimum Wage Act, persons 18 years of age or younger who are not students in a primary, secondary, vocational or training school and persons 18 years of age or younger who are not graduates of a secondary school. Effective 7/1/15. HGEIC/HJC
- HB 186 PESTICIDE APPLICATION NOTICES (McQueen)** New material in the Pesticide Control Act; the bill requires a person applying pesticides or contracting for commercial application of pesticides in a publicly accessible building or on publicly accessible grounds to post a notice on an orange background with black lettering visible to the public to give notice of the presence of pesticides. HEENC/HGEIC
- HB 189 CONCEALED CARRY LICENSE LENGTH & REFRESHERS (Crowder)** Amends §§29-19-3 and 29-19-6; the bill extends the period of time a concealed carry license is valid from four to five years and eliminates the two hour refresher firearms training course that is required to be completed two years following the issuance of an original or renewed license. Effective 7/1/15. HSCAC/HJC
- HB 198 ALCOHOL SALES AT MUNICIPAL GOLF COURSES (Maestas)** Amends §60-6A-10; the bill removes the existing restriction on the kind of liquor license that may be obtained for a food service facility at a government owned golf course so that the food service facility may obtain a liquor license other than a beer and wine license. HRPAC/HJC
- HB 199 OIL & GAS OPERATION JURISDICTION (Bandy)** Amends §70-2-6; the bill prohibits counties from adopting ordinances restricting production of oil and gas. Municipalities are permitted the specific jurisdiction allowed by law, but other political subdivisions and instrumentalities have no jurisdiction to regulate oil and gas. HRPAC/HJC
- HB 204 LIQUOR EXCISE TAX DISTRIBUTIONS (Trujillo, C.)** Amends §7-1-6.40 to make distributions to the Local DWI Grant Fund as follows: prior to July 2, 105, 41.5%; from July 1, 2015 to June 30, 2018, 46 %; and on or after July 1, 2018, 41.4%. Effective 7/1/15. HWMC
- HB 210 POLLUTION CONTROL EQUIPMENT GROSS RECEIPTS (James).** New material makes receipts from the sale of pollution control equipment exempt from the gross receipts tax. Effective 7/1/15. HGEIC/HWMC
- HB 214 PUBLIC CORRUPTION OFFENSES (Gentry)** Amends state statutes concerning public corruption offence and defines “public entity” to include political subdivisions of the state; requires all public entities to post in a conspicuous place a listing of all crimes constituting public corruption offenses and other corrupt practices and the penalties associated with such crimes. Effective 7/1/15. HJC
- HB 215 DWI GRANT FUND SUBSTANCE ABUSE TREATMENT (Trujillo)** Amends §§§11-6A-3, 43-3-10, 43-3-14 and 43-3-15; the bill broadens the scope of the use of the DWI grant fund to include substance abuse prevention, screening and treatment in addition to alcohol abuse. Alcohol abuse screening and treatment programs, county DWI plans and DWI planning councils are directed to broaden their missions

to all substance abuse rather than focus on only alcohol abuse screening, prevention, counseling and treatment programs. HSCAC/HWMC

- HB 219**    **OUT-OF-STATE EVENT GROSS RECEIPTS (Zimmerman)** Same as SB 271. HGEIC/HWMC
- \*HB 232**    **LAW ENFORCEMENT FUND FOR POLICE RETIREMENT (Rehm)** Amends §29-13-4; the bill increases the distributions to municipal, university, county and tribal police departments from the law enforcement protection fund. A temporary provision allows money in the fund to be transferred to and deposited in the employers' accumulation fund of the PERA to reduce the unfunded liability of the municipal police division within the PERA's total fund. EMERGENCY CLAUSE. HSCAC/HGEIC
- HB 238**    **WORKERS' COMP BENEFITS & INTOXICATION (Roch and Sen. Cervantes)** Amends §52-1-12.1; the bill reduces the amount an employee may receive in workers compensation benefits if alcohol, drugs or controlled substances are contributing factors to the death or injury of the employee. The amount due and payable to the employee shall be reduced by at least 35%, not to exceed 85%, if alcohol or drugs or a combination of alcohol or drugs contributed to the injury or death. HJC
- HB 243**    **LIQUOR LICENSES & DEFINITIONS (Rodella)** Amends §§§§§§60-3A-1, 60-6A-1, 60-6A-11, 60-6A-26.1, 60-6B-4 and 60-8A-1 and enacts two new sections of the Liquor Control Act; the bill defines a new concept in packaging wine or beer called a 'growler' and amends licensing provisions to allow the sale selling of these containers. The new material authorizes licensed retailer cooperatives and alternating proprietorships of certain licensees. Changes are also made to the process for providing public notice for local government hearings on locating new licensed premises. Effective 7/1/15. HBEC/HJC
- HB 246**    **SMALL BUSINESS & RESTAURANT GROSS RECEIPTS (Adkins)** New material in the Gross Receipts and Compensating Tax Act; the bill creates a deduction from gross receipts for sales on the Saturday following Thanksgiving for businesses with average revenue less than \$1 million dollars annually. The purpose is to help the sales of small retail businesses and restaurants. Effective 7/1/15. HWMC/HAFC
- HB 250**    **WORKERS' COMPENSATION RETURN TO WORK & BENEFITS (Crowder)** Amends §§52-1-25,1 and 52-1-26; the bill amends the Workers' Compensation Act to provide an incentive for workers collecting workers' comp benefits if the worker is released to return to work by a medical practitioner and is offered the same or greater compensation by his employer for the worker to return to work. HBEC/HJC
- HB 252**    **POST-SECONDARY SCHOOL VOTER REGISTRATION (Steinborn)** Amends §§1-4-5,2 and 1-4-48; the bill adds public post-secondary educational institutions to the list of state agencies where voters may register to vote. HGEIC/HEC/HJC
- HJM 2**    **DEFER RETIREMENT BENEFITS LEGISLATION (Trujillo)** Requesting the legislature to defer the introduction and consideration of legislation amending state employees retirement provisions of the Public Employees Retirement Act for five years, until 12/31/20, to allow the actuarial experience to be aggregated permitting evaluation of the reform measures already enacted and providing more accuracy in the forecasts of effects any new amendments. HPREF
- HJM 9**    **LANL CLEANUP CONTRACTS & BUSINESSES (Garcia Richards and Sen. Richard Martinez)** Requests various state agencies, LANL, local governments, tribal governments and other stakeholders in north central New Mexico to work with a consortium of major LANL subcontractors to study the federal Department of Energy decision to transition the environmental mitigation work at LANL from the National Nuclear Security Administration to environmental management oversight and to identify strategies to mitigate the impact on local New Mexico businesses. HGEIC/HEENC

- SB 69 RESIDENT BUSINESS SET-ASIDE ACT (Padilla)** Requires government contracting agencies to award at least 33% of the total number of its contracts to resident businesses; defines resident business; defines process to become a resident business. Effective 7/1/15. SCORC/SJC
- SB 72 LOAN INTEREST RATE CAPS (Soules)** Amends §56-8-9 to restrict the maximum interest rate on loans to 36% per year; any contract for the extension of credit entered into after July 1, 2015 having a rate of interest in excess of the maximum lawful rate shall be void as to principal and interest; lawful interest rate shall not be more than 30 percentage points above the U.S. prime lending rate; repeals §58-15-33. Effective 7/1/15. SCORC/SJC
- SB 78 PLAN & TRACK COMMUNITY & CAPITAL PROJECTS - GF (Morales)** Appropriates \$378,000 from the General Fund to the Local Government Division for improving planning, tracking and mapping of community and economic development and capital improvement projects, technical and grant administration assistance and implementation and coordination of project and programs by the state's planning districts and councils of government. SPAC/SFC
- SB 208 FRAUD AGAINST TAXPAYER DEFINITIONS (Payne)** Amends §44-9-2; as used in the Fraud Against Taxpayer Act, "state" includes public schools, local governments and any other recipients of state funds. SPAC/SJC
- SB 212 EXTEND VETERAN PREFERENCE TO FAMILIES (Candelaria)** Amends §13-1-22 of the Procurement Code: requires verification of armed forces service from the Department of Veteran Affairs or that the veteran died in the service of the United States armed force; to be designated a resident veteran business or resident veteran contractor, the business or a majority of the business must be owned by a veteran or veterans, a parent or surviving spouse of a veteran or parents or surviving spouses of veterans. Effective 7/1/15.
- SB 213 LAND GRANT BOARD COMPREHENSIVE PLAN APPROVAL (Candelaria)** Amends §49-1-3 to allow land-grant merced's board of trustees to adopt comprehensive plans; removes the Department of Finance and Administration as the arbitrator for zoning disputes between land-grant merced's and neighboring municipalities and counties. Effective 7/1/15. SCONC/SJC
- SB 214 MOTOR VEHICLE TAX TO ROAD FUND (Leavell)** Amends §7-4-10 to change distribution from the motor vehicle excise tax to the General Fund to the State Road Fund over a four-year period beginning July 1, 2015. SCORC/SFC
- SB 218 FREE PARKING FOR CERTAIN VETERANS (Soules)** Amends §§3-50-5, 3-51-5 and 66-7-352.4 (Municipal Parking Law and the Accessible Parking Standards and Enforcement Act); no parking fee shall be charged to an occupant of a vehicle properly displaying a valid 50% or more disabled veteran registration placed issued pursuant to §66-3-412 for parking in facilities owned by the state or its political subdivisions. Effective 7/1/15. SPAC/SJC
- SB 227 MUTUAL DOMESTICS AS LOCAL AUTHORITIES (Martinez)** Same as HB 128. SCONC/SJC
- SB 233 TEMPORARY DISABILITY BENEFIT CHANGES (Woods & C. Trujillo)** Amends §§52-1-41; 52-1-42; 52-1-47; and 52-3-14 to clarify that the maximum period temporary disability payments will be made to an injured workers will be 700 weeks. Changes the disability period for primary and secondary mental impairments from 100 weeks to a maximum of 700 weeks. Workers with permanent total disability are paid total disability payments for life. SCORC/SJC
- SB 239 TRANSPORTATION PROJECT DELIVERY METHOD (Griego)** New material creates the Transportation Procurement Act; provides for design-bid-build and design-build delivery methods of procurement for transportation projects; allows for two phase design-build delivery method. Also allows for construction manager general contractor delivery method; requires competitive sealed bids under the Transportation Procurement Act. Effective 7/1/15. SCORC/SJC

- SB 241 CERTAIN LIQUOR LICENSE TRANSFER LIMITS (Griego)** Amends §60-6B-12 to limit the number of transfers of dispenser and retailer licenses to local option districts. SCORC/SJC
- SB 246 DOUBLE REQUIRED AUDIT THRESHOLD (Neville)** Amends §12-6-3 to double the amount of annual revenue for agencies and public bodies to require annual audits. Effective 7/1/15. SPAC/SFC
- SB 257 CHARTER SCHOOLS & PUBLIC AUDIT CHANGES (Ivey-Soto & Hall)** Amends §12-6-2 to add charter schools to the definition of an agency; the financial affairs of a political subdivision of the state that is determined to be a component unit of a primary government entity in accordance with generally accepted accounting principles, at the component's discretion, may be audited separately from the audit of the component unit's primary government entity; if the component's unit chooses to have a separate audit, the component unit audit shall be included in the primary government entity's audit but need not be conducted by the same auditor that audits the financial affairs of the primary government entity. Applies to financial affairs of an agency in fiscal year 2016 and thereafter. SEC/SPAC
- SB 260 ELECTION OF WATER TRUST BOARD CHAIR (Candelaria)** Amends §72-4A-4; requires a public member of the Water Trust Board to be chair of the board. SCONC/SPAC
- SB 261 INCREASE WORKING FAMILIES TAX CREDIT (Candelaria)** Amends §7-2-18.15 to increase the Working Families Tax Credit to 12.5% between January 1, 2015 and January 1, 2016, thereafter it raises to 15%. Applies to taxable years beginning after January 1, 2015. SCORC/SFC
- SB 262 NMFA CONFLICT OF INTEREST PROVISION CHANGES (Candelaria)** Amends §10-116-13.2; a public officer or employee shall not receive a commission or profit directly or indirectly through the public officer's or employee's family of a business in which the public officer or employee has a substantial interest; includes any interest in a business; if any member officer or employee of the NMFA has an interest in any contract to which the Authority is a party, or has an interest in a business that represents a client that has or is seeking a contract, that interest must be disclosed in writing. SRC/SJC
- SB 264 PUBLIC EMPLOYEE BARGAINING PUBLIC MEETINGS (Payne)** Amends §10-7E-17; unless inconsistent with federal law, collective bargaining sessions and consultations and impasse resolution procedures at which the public employer and the exclusive representative of the bargaining unit shall be public meetings at all times, and reasonable notice shall be given to the public by publication on the web site of the appropriate state agency prior to the meeting. Effective 7/1/15. SPAC/SJC
- SB 265 LIQUOR TAX PROCEEDS FOR HOMELESS (Muñoz)** Amends §7-24-10; any time a county imposes or amends a local liquor tax for prevention, evaluation and treatment of substance abuse, they must provide funding for winter shelters for the homeless; they are to dedicate at least \$100,000 to winter shelters for the homeless; applies to the joint powers agreement between a county and a municipality regarding uses of the tax proceeds. SPAC/SFC
- SB 266 EXCLUDE CERTAIN COUNTIES FROM HOLD HARMLESS (Muñoz)** Amends §7-1-6.47; a hold harmless distribution to a county that does not have in effect and has not had in effect a county hold harmless gross receipts tax shall not be reduced if the county has experienced an average annual increase in the county's gross receipts tax base of less than 11.7% beginning after July 1, 2014. Effective 7/1/15. SCORC/SFC
- SB 267 SALE OF SPACEPORT AMERICA (Muñoz)** New material authorizes the sale of Spaceport America; proceeds from the sale would be used to call and pre-pay outstanding bonds; after certification by the Finance Authority that there are no outstanding Spaceport bonds, the county commission may by majority vote repeal an ordinance repealing the local Spaceport gross receipts tax. Effective 7/1/15. SCORC/SJC/SFC
- SB 268 CONCEALED CARRY LICENSES & CHANGES (Sanchez, C.)** Amends several sections of the Concealed Handgun Carry Act; licensing period is changed to five years; removes two-hour refresher

course; removes caliber qualification requirements; exempts law enforcement officers from training course requirement; military personnel shall not be required to pay application or renewal fees. SPAC/SJC

- SB 271** **OUT-OF-STATE EVENT GROSS RECEIPTS (Muñoz)** Amends §7-9-3.2 to add to the definition of governmental gross receipts the performance of or admission to recreational, athletic or entertainment services or events in New Mexico in facilities open to the general public. SCORC/SFC
- SB 274** **HOLD HARMLESS & FUND DEDUCTION CHANGES (Smith)** Converts the existing distribution (7-1-6.4) to each municipality of a portion of the State's gross receipts tax revenue from that municipality to an equivalent grant of municipal local option tax authority (7-19D-9) at a rate of 1.225%. For municipalities created in the future, this authority may be imposed by municipal government action without referendum. For existing municipalities, it is imposed by this bill to maintain continuity of revenues. Grants gross receipts taxpayers a new credit against State gross receipts tax liability in the amount of tax due under the new 1.225% municipal tax authority; converts the existing deduction for sales of food (7-9-92) to a credit (adjusted to eliminate interaction with the new credit proposed in (1) above). This credit means that the State gross receipts tax will continue to not apply to sales of food. Revises and simplifies the hold harmless distributions at 7-1-6.46 (municipalities) and 7-1-6.47 (counties) to eliminate any distribution with respect to food. repeals the authority for the municipal (7-19D-18) and county (7-20E-28) hold harmless local option gross receipts taxes, except (on constitutional grounds) for those local governments that have already imposed the tax and bonded the proceeds; lowers the gross receipts and compensating tax rates from 5.125% to 5%; raises the Working Families Tax Credit to 14% of federal Earned Income Tax Credit. Effective dates of July 1 and August 1, 2015. SCORC/SFC
- SB 276** **STATE ENGINEER HEARING LOCATIONS (Pirtle)** Amends §72-2-16; State Engineer hearings shall be held in the county in which the water right at issue is adjudicated, licensed or permitted, unless the parties and the State Engineer stipulate another site for the hearing. SCONC/SJC
- SB 277** **LOCAL GOVERNMENT COMPREHENSIVE PLANS (Stewart)** Changes several sections of the Municipal Code to change the reference of "master plan" to "comprehensive plan"; lists a variety of elements that could be included in a comprehensive plan; requires public hearing before submission of any recommendations to a governing body; amends §4-57-1 to authorize a county to delegate to the planning commission: 1) the power, authority, jurisdiction and duty to enforce and carry out the provisions of law relating to planning, platting and zoning; and 2) any other power, authority, jurisdiction and duty incidental and necessary to carry out provisions of this section; county may, by resolution, adopt, amend, extend and carry out a comprehensive plan. Repeals §§3-19-7, 9, 10, and 12. Effective 7/1/15. SPAC/SJC
- SB 290** **AUDITS OF CAPITAL OUTLAY PROJECTS (Cisneros)** New material requires an audit of every capital outlay project valued at \$5 million or more; the agency that is the fiscal agent for the capital outlay project shall pay for the audit and the special audit shall be included in the agency's audit. SPAC/SFC
- \*SB 291** **CAPITAL OUTLAY REAUTHORIZATIONS (Cisneros).** New material reauthorizes severance tax bonds, including the following municipal project: funds for Paseo del Volcan loop bypass road from Unser Blvd. to New Mexico Highway 550 is changed to acquire rights-of-way for and to plan, design and construct Paseo del Volcan loop bypass road from Unser Blvd. to Interstate 40 in Bernalillo and Sandoval counties. EMERGENCY CLAUSE. SFC
- SB 296** **EMPLOYER RECORDS & WORKFORCE SOLUTIONS COSTS (Rue)** Amends §50-4-9 to require employers to keep hours worked and wage records for three years; exempts the Labor Relations Division of the Department of Workforce Solutions from paying court costs or filing fees. SCORC/SJC
- SB 300** **ALCOHOL SALES AT MUNICIPAL GOLF COURSES (Candelaria)** Same as HB 198. SCORC/SJC
- SB 303** **FREEDOM FROM UNWARRANTED SURVEILLANCE ACT (Ortiz y Pino)** New material creates the Freedom from Unwarranted Surveillance Act that prohibits a person, state agency, law enforcement agency or political subdivision of the state from using a drone or unmanned aircraft to gather evidence or other information pertaining to a criminal conduct or conduct in violation of a statute or regulation to the

extent authorized in a warrant; makes exceptions for exigent circumstances; provides for civil relief; a person who violates the Act and disseminates information unlawfully obtained is guilty of a fourth degree felony. SPAC/SJC

- SB 307 CLARIFY FARM OPERATIONS ARE NOT NUISANCES (Pirtle)** Amends §47-9-3; any ordinance or resolution of any unit of local government that makes the operation of any agricultural operation or agricultural facility a nuisance or provides for abatement of it as a nuisance shall not apply when an agricultural operation was established prior to the date of adoption of any such ordinance or resolution. SCOC/SJC
- SB 308 REQUIRE MOTORCYCLE HELMETS (Ortiz y Pino)** Amends §66-7-356; a person under the age of 18 driving a motorcycle and any rider under 18 must wear a safety helmet; drivers and riders over 18 years on a motorcycle with a validating sticker do not have to wear safety helmets; requires the Department of Motor Vehicles to design the validating sticker; creates the Fatal-Injury Diagnosis and Reporting Fund; adds violation for not wearing a safety helmet to the state Penalty Assessment section. Effective 7/1/15. SPAC/SJC/SFC
- SB 313 WATER RIGHT REVIEWS, HEARINGS & COURT VENUE (Neville)** Amends §72-2-8 to have any hearing on a proposed regulation to be held in Santa Fe, if the matter applies statewide, or in the district that is most convenient to the person most affected; any regulation issued by the State Engineer is in all cases subject to a full de novo review by the district court; eliminates the provision for double repayment of water that was overdiverted or illegally diverted; if the State Engineer has not issued a final decision on any matter that has been pending for one year or longer, the applicant at any time may elect to treat the absence of a final decision as a refusal to act by filing a written notice with the State Engineer. The applicant shall have one year from the filing of the notice to file an appeal in district court and appeals from the district court may be pursued in the same manner as other civil appeals without filing a writ of certiorari. SCONC/SJC
- SB 315 LAW ENFORCEMENT & FEDERAL IMMIGRATION LAWS (Martinez)** Amends §29-1-10; a law enforcement agency of the state or its political subdivisions shall not use state funds, equipment, personnel or resources nor accept or utilize federal funds, equipment, personnel or resources for the purpose of detecting or apprehending persons whose only violation of the law is that they are persons of foreign citizenship who have entered or are residing in the United States in violation of federal immigration law in Title 8 of the United States Code, unless otherwise legally required to do so; for purposes of this section, the Workforce Solutions Department is not a law enforcement agency. Effective 7/1/15. SPAC/SJC
- SB 319 COUNTY IRB PROJECTS & COMPLAINT PROCESS (Leavell)** Amends §4-59-2 to add to the definition of allowable project an industry for the extractive phase of mining or energy development, including refining and processing; amends §4-59-15 that allows an existing business to file a written complaint that a proposed project would substantially compete with the existing business, provided that if the State Board of Finance does not make a decision within 60 days after the complaint is filed, the bonds in connection with the project may be sold. Effective 7/1/15. SCORC/SJC/SFC
- SB 327 REQUIRE MOTORCYCLE HELMETS (Ortiz y Pino)** Same as SB 308 except it does not contain sections dealing with validation sticker or the Fatal-Injury Diagnosis and Reporting fund. Effective 7/1/15. SPAC/SJC
- SB 332 BORDER ZONE TRADE-SUPPORT GROSS RECEIPTS (Cervantes)** Amends §7-9-56.3 to extend the eligibility for a gross receipts tax deduction for a border zone trade-support company until July 1, 20121. Effective 7/1/15. SCORC/SFC
- SB 335 OIL & GAS AS STATE RESOURCE (Sharer)** Amends §12-3-4 to make oil and gas the state resource. SRC/SPAC
- SB 336 DISTRICT WATER COURTS (Neville)** New material creates District Water Courts in the 1<sup>st</sup>, 3<sup>rd</sup> and 11<sup>th</sup> judicial districts; another court may be established by the Supreme Court in a district with a substantial

caseload; courts are civil courts that are to give priority to water cases; judges are to be nominated, appointed and elected as other district judges; judges of district water courts are not subject to preemptory challenges when presiding over water cases; appropriates a total of \$1.3 million to the three districts and the Administrative Office of the Courts. Effective 7/1/15. SJC/SFC

- SB 346 TAX REFORM (Sharer)** This 228-page bill proposes a complete overhaul of the state tax system; included are: reducing the gross receipts tax, compensating tax municipal gross receipt tax and county gross receipts tax; providing for a flat 2 ½% income tax above certain levels; repealing the compensating tax and certain credits, deductions and exemptions pursuant to the Income Tax Act; repealing several state and local taxes. Various effective dates in 2016 and 2017. SCORC/SFC
- SJR 3 LIMIT CAR-RELATED FEES & TAXES FOR ROADS (Cotter)** Proposes to amend Article 8 of the New Mexico Constitution to add money derived by the state, a county or a municipality from a tax, surcharge or fee imposed on motor vehicle fuels or on the purchase, registration or operation of a motor vehicle on a public highway shall be appropriated only for: 1) administration of a law imposing the tax, surcharge or fee; 2) payment of debt service on highway bonds; 3) complying with federal highway aid requirements; 4) planning, engineering, construction, improvement or maintenance of public highways, roads, streets or bridges; or another purpose pursuant to a law in effect on the date of adoption of this amendment; provided that the rate of tax or the amount of surcharge or fees from which the money for the purpose is derived and appropriated shall be no more that the rate or amount then in effect. SRC/SJC
- SJR 6 LAS VEGAS PROPERTY TRANSFER (Griego).** The proposed transfer of property at 301 Mills Avenue in Las Vegas from the state to the City of Las Vegas is ratified. SRC/SFC
- SM 6 FEDERAL LAND MANAGEMENT & REVENUE IMPACTS (Woods)** Requests the Local Government Division to convene stakeholders to: 1) study and make recommendations on the legal, economic and practical framework surrounding federal lands; 2) conduct an inventory of federal land ownership within the state; 3) evaluate state and county dependence on federal revenue streams; and 4) consider not only state interests, but also the interests of local governments and community economies in any analysis; the New Mexico Municipal League is to be one of the stakeholders. SRC/SCONC