

2015 SNMEDD LEGISLATIVE RECAP

SOME ISSUES OF INTEREST FROM THE LEGISLATURE

The Legislature passed a \$6.2 million budget and a 22 year gaming compact between the State and the Mescalero and Jicarilla Apache Tribes, the Pueblos of Jemez and Acoma and the Navajo Nation so they may continue operating their respective casinos.

The Capital Outlay package ended the Session with Senate failing to concur with Floor Amendments proposed by the House of Representatives in the closing days of the Session. The result of which is that there will be **no** Legislative Capital Out funding for local governments this coming year. The lack of Capital Outlay funds will lead to local governments being unable to complete projects that have been started, lack of matching funds for needed federal infrastructure grants, inability of local governments to begin and in many cases complete local infrastructure-streets, water, wastewater, buildings, parks and other much needed projects in their communities.

“The Year of Roads” promoted by the Governor also fell victim to the ills of partisan politics at this year’s Session. When the Session started this year gas prices were unusually low, but as the Session wore on gas price began to rise to what have become normal prices at the pump. As the fuel prices increase the willingness of Legislators to consider tax increase to fuel prices waned. And, with the waning Legislative will to add to increase taxes on fuel began to ebb rather significantly. There were interesting and heated debates at times over several proposals that arose between the Legislative and Executive Branches. Although at times it appeared that increases to gas taxes were the focal point of much of the debate in the House Ways and Means Committee, there was also much talk interwoven in the debate about how to make public/private partnerships work to improve roads and highways. In the end, cities and counties were given Legislative authority to enact special local fuel taxes.

The Local Government Planning Fund through the New Mexico Finance Authority received approval for an additional \$3 Million dollars. Other NMFA programs receiving authorizations were the Public Projects Revolving Fund having 90

projects authorized for loans and 127 Water Trust Fund Board projects were also authorized.

For a while it looked as if there was a glimmer of hope for a fix to the “Hold Harmless” issue. Albuquerque Representative Jason Harper emerged as a young new tax expert in the Legislature. He proposed several pieces of legislation that appeared to make major tax changes for the State. His proposals included tax reform, financing for transportation and a fix for Hold Harmless. The one piece that did finally find success reduced the funding from the Severance Tax Permanent Fund to the Water Trust Board, Colonias Infrastructure Fund, Public Schools Capital Outlay, and the Tribal Infrastructure Fund. Senator Benny Shendo was able to amend the Bill to slow the return of the \$352 million to the Severance Tax Permanent Fund to occur over a 10 year period.

A LOOK AT KEY LEGISLATION AND SERVICES

The SNMEDD participates and maintains a presence for the entire session, as a service to our members, our Legislators, rural communities, water associations and educational entities.

We are here to serve, and below represents a list of some key legislation we followed and when necessary provided input. The SNMEDD does not lobby, but we understand the southeastern New Mexico region and its member communities, making us valuable to Legislators, staff and your hired lobbyists as an information resource.

1. **Coordination of Legislative Forums:** Prior to the Legislative Session the SNMEDD hosted and facilitated Legislative Capital Outlay Hearings in Chaves, Eddy, Lea, Lincoln and Otero Counties.
2. **Capital Outlay Requests and Bill (SB 159):** Southeastern New Mexico Legislators normally have constituents and public entities that need assistance in preparing their Capital Outlay requests contact and receive assistance from the SNMEDD. The District worked closely with all local governments and other constituents in the development of the requests and

priorities for Legislators. **The Capital Outlay Bill (SB 159) failed to get concurrence and died at the close of the Session.**

3. **Hold-Harmless Legislation:** All bills failed. The NMML made a valiant effort with their proposed legislation to fix the problems with Hold Harmless but, was also among the Bills that eventually stalled out during the session.

4. **The State Budget (HB 2)**

- \$668,400 in funding for State Planning District (COGs)
- \$2.69 million for County detention of prisoners
- \$179,600 for Statewide Teen Court
- \$548,000 for food banks
- \$75,000 for Special Districts (COGs) for planning, tracking and mapping projects statewide
- \$10 million for economic development projects from 2014 extended pursuant to the Local Economic Development Act (LEDA), and \$37.5 million for new economic development projects
- \$350,000 for MainStreet program including Frontier Community Program
- \$5.5 million for job training incentive program (JTIP)
- \$915,000 Main Street Program
- \$6.6 million Maintenance, reconstruction and related construction of state-managed highways
- \$551,300 Manufacturing sector development program

2015 KEY LEGISLATION

BILL	TITLE	SPONSOR	ACTION
HB 20	Raise Minimum Wage	L. Varela	Failed
HB 49	County Notices by Email	Wooley	Passed/Signed
HB 53	No Compelled Medication Use for Students	Espinoza	Passed
HB 63	578 NMFA Public Project	Ezzell	Passed

Revolving Fund Projects

HB 101 Passed	Sexual Exploitation of Children Penalties	Gallegos, D.	
HB 116	Regional Utility Construction of Transmission Lines	Brown, C.	Failed
HB171	Birthing Workforce Retention Fund	Herrell	Passed
HB 236	Increase Severance Tax Permanent Fund Inflows	Harper Cisneros	Passed
HB 379	Racehorse Drug Testing	Ezzell	Veto
HB 383	Financial Assurance for Abandoned Oil Wells	Gallegos, D.	Passed
HB 404	Driver's License for some With Only One DWI	Lewis	Passed
HB 424	Water District Tort Immunity	Nunez	Failed
HB 431	Mounted Patrol Concealed Firearm Fees	Wooley	Passed
HB 445	Reduced Renewable Portfolio Standards	Scott	Failed
HB 459	Crop Dusting Tanks as Above Ground Tanks	Townsend	Failed
HB 488	AgriToursim Limited Liability	Ezzell	Failed
HB 560	Forfeit Procedures and Reporting	Cook	Passed

SB 669	Distribution Adjustment	Ingle	
SB 1	Insurance Nominating Committee Change	Leavell/ Larranaga	Passed
SB 61	Affordable Housing Act Changes	Rue	Passed
SB 62	Affordable Housing Act Definitions	Rue	Passed/ Signed
SB 104	Installments for Delinquent Property Taxes	Sharer	Passed
SB 105	County GRT for School Improvements	Martinez	Passed
SB 249	Geothermal Renewable Energy Certificates	Ingle	Passed
SB 276	State Engineer Hearing Location	Pirtle/Wooley	Passed/ Signed
SB 291	Capital Outlay	Cisneros	Passed
SB 369	Military Base Planning Office Board	Burt	Passed
SB 483	Racehorse Drug Testing	Papen	Passed
SB 552	Drinking Water System Financing	Cervantes	Passed