SESSION SUMMARY

There were 722 bills introduced in the 2016 30-day legislative session, according to the New Mexico Tax Research Institute, and an additional 294 memorials, joint memorials, and joint resolutions. Only 101 bills (exclusive of the memorials and resolutions) passed both chambers. Most of those passed in the final week of the session. Just one constitutional amendment, SJR 1, Denial of Bail for Certain Felonies, was approved by both houses in 2016.

The Governor signed 92 bills. Eight bills were vetoed and one was not acted upon (pocket vetoed). The vetoed bills were: SB 36, SB 79, SB 210, SB 224, HB 70, HB 203, and HB 187. HB 48 was pocket vetoed.

METHODOLOGY OF REPORT

This report contains brief descriptions of NMAC’s legislative priorities, and of the major legislation affecting counties that passed both houses and was acted upon by the Governor. Note that memorials, joint memorials, and joint resolutions (constitutional amendments) do not require gubernatorial action. Information in the report was taken from the New Mexico Legislature’s website, the Legislative Finance Committee (LFC) and the Taxation and Revenue Department’s Fiscal Impact Reports, the New Mexico Legislative Report’s (NMLR) bill analyses, Tax Matters (the newsletter of the New Mexico Tax Research Institute), final versions of bills, and veto messages from the Governor.

NMAC LEGISLATIVE PRIORITIES

**SB 224**

Creates an Advanced Mapping Fund, administered by the Department of Energy, Minerals, and Natural Resources, to receive appropriations and donations from state, federal, and local governments, tribes, and private entities. The Fund would support mapping for watershed and water resource management, road maintenance, wildfire response and mitigation, economic and land development, geologic hazards, and base data to design and develop the Rio Grande Trail.

_Vetoed_ by the Governor. Executive message stated that the bill creates a duplicative and unnecessary fund (for both the Rio Grande Trail and advanced mapping for the other uses stated above). The message suggests that a bill intended for projects other than the Trail “should be made in a more effective and transparent way.”

**HB 186**

Appropriated $300,000 from the State General Fund to the Department of Health, to conduct a study, in collaboration with the State Fire Marshal, to determine how best to support emergency services statewide, and report to the appropriate interim committee before December 2016.

The appropriation was stricken from the bill, which was then tabled in the House Appropriations & Finance Committee and died on adjournment.
Restoring the funding for the County Detention Facility Reimbursement Fund to its original $5 million was once again a priority issue for NMAC. And once again, the Fund, which reimburses counties for holding certain felony offenders, was reduced this year to $2,581,100, from the $2,690,900 appropriated for the County Detention Facility Reimbursement Fund in FY 2015.

The final Appropriations Act also includes a $1.6 million transfer from the Local DWI Grant Fund, including local DWI grant programs, to the Administrative Office of the Courts for drug courts, and once again, a 3.25% administrative fee to the Taxation & Revenue Department to be taken from gross receipts tax distributions to city and county government. Language appropriating $200,000 from the Local DWI Grant Fund for McKinley County substance abuse detoxification and treatment center and homeless center was vetoed by the Governor. The Governor has consistently vetoed language related to specific community and regional programs and seems to prefer statewide program appropriations.

Language requiring the Department of Finance and Administration to regularly consult with Legislative Finance Committee staff on revenue collections and estimates was also vetoed.

See HB 311 (transfers and reversions to the State General Fund) for additional transfers from local government programs. The Human Services Department Medicaid Behavioral Health budget includes an additional $500,000 for support of regional crisis stabilization units.

Signed by the Governor on March 29, with line item vetoes; effective May 18, 2016.

HB 311

Otherwise known as The Solvency Bill, transfers more than $221 million to the State General Fund Operating Reserve in FY 2016, by “sweeping” many fund balances, including $4 million from the Local DWI Grant Fund, and $1.5 million from the Rural Infrastructure Revolving Loan Fund. Contains a provision that, if the consensus revenue forecast falls further, “sanding” of one-percent across-the-board cuts will be required in 2017.

A $3.5 million transfer from the E911 Fund was proposed in the original bill but the language was taken out of the final bill in the Senate Finance Committee (SFC). Kudos to Ken Martinez and the 911 Affiliate on their outstanding lobbying effort, and thanks to Senators Smith, Cisneros, Neville, Rodriguez, and Wilson Beffort, for their support in SFC.

Signed by the Governor on February 29, with emergency clause; effective on signing.

PLEASE THANK OUR PRIORITY BILL SPONSORS:
Senator Carlos Cisneros and Representative Dennis Roch

SIGNIFICANT BILLS OPPOSED BY NMAC

HB 233

Hold Harmless Payments & Tax Distributions

Provided that counties and cities which implemented hold harmless gross receipts tax (GRT) increments would see a reduction in the state food and medical hold harmless distribution by the amount of the revenues generated by the hold harmless GRT. For 19 counties, this would result in an immediate termination of all state distributions. Also phased in a transfer of motor vehicle excise tax revenue from the State General Fund to the State Fund and Local Governments Road Fund.

Died on adjournment in the House Ways & Means Committee.

HB 302

Transfer DWI Fund

Transfers responsibility for administration of the Local DWI Grant Program to the Behavioral Health Services Division of the Human Services Department (HSD) and replaces the Department of Finance & Administration Secretary with the HSD Secretary or designee on the DWI Grant Council.

At the request of the sponsor, the bill was never heard in committee. NMAC and its DWI Grant Fund Administrators Affiliate and the HSD Secretary and Behavioral Health Division Director have agreed to meet following the session, to discuss the issues raised by HB 302.
**CAPITAL OUTLAY**

**HB 219**  
Severance Tax Bond Projects  
Harper & Lewis  
Authorizes nearly $166 million, approximately $122 million from severance tax bond capacity and approximately $43 million from other state funds, for the purpose of funding capital outlay projects statewide. A list of the projects proposed for funding within the bill is attached to the Legislative Finance Committee Fiscal Impact Report for the bill.  

Signed by the Governor on March 9, with line item vetoes. Passed with emergency clause; effective on signing.

The Executive Message on HB 219 was 17 pages long; the specific vetoes were outlined in the second half of the message. All projects under $10,000 were vetoed. The Executive Message concluded that, “During this session, legislators grossly increased their pork barrel spending, chose to spend the money in a number of irresponsible ways, concealed their individual appropriation decisions from the public (two bills that would have forced lawmakers to reveal their allocations died on adjournment), slipped unapproved and un-vetted projects into the capital bills, rejected reform of any sort to the capital outlay process, and ignored a problem that is going to lead to even less money being available for infrastructure projects in the future.”

**SB 122**  
General Obligation Bond Projects  
Cisneros  
Authorizes the issuance of general obligation bonds totaling $185,249,500. Proposes four bond issues including capital expenditures for senior citizen facilities statewide, library resource acquisitions, higher education facilities, special school and tribal school capital improvements and acquisitions, and public safety issues.  

Signed by the Governor on March 9, with line item vetoes. Passed with emergency clause; effective on signing.

**CS/SB 172**  
Capital Outlay Reauthorizations  
Cisneros  
Reauthorizes 112 projects, 15 for executive agencies, 46 for House projects, and 51 for Senate projects. See list of projects, by county, attached to the Legislative Finance Committee Fiscal Impact Report.  

Signed by the Governor on March 9, with emergency clause; effective on signing.

**COUNTY GOVERNMENT - GENERAL**

**HB 18**  
County Employee Salary Structure  
Garcia Richard  
Allows for a new maximum salary structure for designated full time Class H County elected officials (Los Alamos County only): Treasurer, Assessor, Sheriff, and County Clerk.  

Signed by the Governor on March 4; effective July 1, 2016.

**SB 72**  
Right to Farm & Operations as Nuisance  
Ingle  
Amends the Right to Farm Act to bar a property holder’s right to bring a nuisance claim against a previously established agricultural operation or facility, unless the operation or facility has substantially changed the nature and scope of its operation.  

Signed by the Governor on March 3; effective May 18, 2016.
HB 336  Comprehensive Criminal Records Database  Gentry & Ivey-Soto
Empowers the Secretary of Public Safety to create and maintain a criminal records database (clearinghouse) that merges criminal records data from multiple databases and gives courts and law enforcement agencies access to comprehensive criminal background records of suspects and defendants. Makes New Mexico compliant with the federal National Instant Criminal Background System (NCIS) regarding background checks for purchase of firearms and ammunition, thereby making New Mexico eligible for previously unavailable federal grants. Further provides that a person committed to a mental institution or adjudicated as a “mental defective” (this is a federal term), may not purchase guns or ammunition, and provides due process for removal from the NCIS list when the disabling mental condition is resolved.

Signed by the Governor on February 29; effective May 18, 2016.

CS/HB 296  Convictions in Certain Courts as Adults  Montoya
CS/SB 257  Convictions in Certain Courts as Adults  Rodriguez
Both bills amend Section 31-21-15 NMSA 1978, to expand the definition of “probationer” to include individuals convicted in metropolitan, magistrate, or municipal (as well as district) court for purpose of tolling the duration of probation during the time the probationer is a fugitive from justice.

The Governor signed SB 257 on March 3 and HB 296 on March 4, both had an emergency clause; effective on signing.

SB 118  Increase DWI Penalties  Munoz & Maestas Barnes
Increases the penalty for conviction of homicide by vehicle or great bodily harm by vehicle, while under the influence of intoxicating liquor or any drug or while driving recklessly, from a third degree felony to a second degree felony.

Signed by the Governor on March 1; effective July 1, 2016.

SJR 1  Denial of Bail for Certain Felonies  Wirth & Maestas
Amends Article 2, Section 13 of the state constitution, to allow courts of record to deny bail to a defendant charged with a felony, if the prosecuting attorney proves by clear and convincing evidence that no release conditions will reasonably protect the safety of any other person in the community. Also provides that a person who is not a danger or a flight risk in the absence of bond and is otherwise eligible for bail shall not be detained solely because of financial inability to post a money or property bond. Amended in the House to provide that a person who is not a danger or a flight risk, and who has a financial inability to post a bond, may request relief from the requirement to post bond by filing a motion with the court.

Goes to the voters for approval on November 8, 2016.

SM 87  You Mean I Have to Pay for Towing? Seriously?  Ortiz y Pino
(This was the title used in the legislature’s official bill locator. Seriously!)
Recognizes the aggravation felt by victims of car theft when they have to pay towing and storage fees to gain the return of recovered vehicles; requests the Department of Public Safety to report on several concerns, including the number of stolen vehicles, the number of stolen vehicles recovered per year in the state as a whole and in each county, average towing and storage fees assessed on vehicle owners to recover their property; and report to the appropriate legislative committee before November 15, 2016.

No gubernatorial action required.
**ECONOMIC DEVELOPMENT**

**HB 139**
Local Economic Development Act Projects  
Garcia Richard & Harper
Expands the definition of retail businesses in the Local Economic Development Act (LEDA) that may receive funding through LEDA funds, from municipalities with a population of 10,000 or less, to also include municipalities with a population between 10,000 and 25,000, if the economic development project is not funded or financed with state revenues. Applies to Los Alamos, as a city/county, but to no other counties.

Signed by the Governor on February 29; effective May 18, 2016.

**HB 192**
Lodgers’ Tax for Tourism Services  
Ezzell
Allows revenues from a municipal or county lodgers’ tax to be used to provide airlines with minimum revenue guarantees that would entice them to offer air service to currently underserved communities. Municipalities or counties could issue revenue bonds secured by future lodgers’ tax proceeds.

Signed by the Governor in Roswell, on March 4; effective May 18, 2016.

**ELECTIONS & CLERKS**

**HB 138**
Voting for Some 17-YearOlds  
Steinborn
Allows 17-year olds who will be 18 by the date of the general election to vote in the primary election or participate in a major party’s alternate selection procedure.

Signed by the Governor on March 4; effective May 18, 2016.

Although the bill was introduced with an emergency clause, it failed to get the necessary 2/3 vote in both houses; therefore it takes effect 90 days after the end of the legislative session.

**SB 146**
Correction of Errors Affecting Property  
Griggs
Authorizes the use of a “Scrivener’s Affidavit” to correct several specific kinds of drafting or clerical errors in an instrument affecting the title to real property.

Signed by the Governor on March 9; effective May 18, 2016.

**FINANCE & PURCHASING**

**HB 93**
Veteran Business Preference Changes  
Wooley
Amends and clarifies the state procurement code, as it relates to veterans’ preferences. Affects formal bids on purchases and public works contracts. For additional information, contact: Archie Garcia at the Veterans’ Procurement Assistance Center at 505-414-8043 or agarcia@vpacinc.org.

Signed by the Governor on February 26; effective July 1, 2016.

**FIRE & EMS**

**SB 128**
Interstate Compact for Forest Fires  
Shendo
Calls for ratification by the Legislature of the Interstate Compact for the Prevention and Control of Forest Fires, which would bind all participating states to reciprocal aid in combating, controlling, or preventing forest fires among states that are party to the compact. Compact covers the Great Plains Region of the United States and contemplates the inclusion of South Dakota, North Dakota, Wyoming, Colorado, and New Mexico as well as any state adjoining a current member state.

Signed by the Governor on March 8, with emergency clause; effective on signing.
HB 270  Out-Of-State Healthcare Provider Access  McMillan
Requires courts in New Mexico to enforce exclusive forum selection and choice of law provisions regarding medical malpractice lawsuits. The effect of this language may be that physicians in other states treating patients from New Mexico would sign a statement indicating that the patient who is felt to have suffered injury from the physician’s misdeeds, will seek remedy in that other state. For example, if a Texas physician caring for a New Mexico patient had asked that they sign a statement accepting jurisdiction of Texas courts in case of a dispute (after the law’s effective date of 07/01/16), then New Mexico courts would have to enforce the patient’s expressed choice of a Texas court’s jurisdiction, and the patient would not be allowed to seek action in a New Mexico court.

Signed by the Governor on March 4; effective July 1, 2016, but sunsets on July 1, 2019.

SB 113  Assisted Outpatient Treatment Act (AOT)  Papen
Modeled after New York’s Kendra’s Law, the 33-page bill authorizes a New Mexico district court judge to order people diagnosed with mental illnesses, who meet certain criterion, into mandatory “Assisted Outpatient Treatment” programs for up to one year. AOT and related terms are defined in the bill, which also includes criteria for when a person may be ordered by a court to participate in assisted outpatient treatment. The bill contains a local option for financing the program.

Signed by the Governor on March 9; effective July 1, 2016.

SM 37  Study Improvements to Indigent Care System  M. Sanchez
Requests the Legislative Finance Committee to conduct a study on collection, billing, charging, and financial assistance practices of all New Mexico hospitals, and recommends improvements to the state's indigent care system.

No Governor’s action required.

SM 54  LFC Data on Supplemental Nutrition Assistance Program  Morales
Requests the Legislative Finance Committee staff to collect data and conduct a study of the costs associated with implementing a three-month time limit and employment and training requirements in the Supplemental Nutrition Assistance Program (SNAP), including a cost analysis for specified costs and populations.

No Governor’s action required.

NEW MEXICO FINANCE AUTHORITY (NMFA)

HB 12  Public Project Revolving Fund Projects  Lundstrom
Authorizes the New Mexico Finance Authority (NMFA) to provide loans from the Public Project Revolving Loan Fund to 118 qualified state, local, and political subdivision entities statewide for infrastructure projects.

Signed by the Governor on March 3, with emergency clause; effective immediately.

HB 134  Local Government Planning Fund  Gonzales
Appropriates $3 million from the Public Project Revolving Loan Fund to the Local Government Planning Fund, administered by NMFA, for expenditure in FY 2017 and subsequent fiscal years to make grants to local governments and other qualified entities for infrastructure planning documents, water and wastewater public projects, conservation plans, long-term master plans, economic development plans or emergency audits. NMFA is allowed to collect administrative costs.

Signed by the Governor on March 3; effective July 1, 2016.
Both bills appropriate $1.4 million from the Public Project Revolving Loan Fund to the Wastewater Facility Construction Fund for expenditure in Fiscal Year 17 and subsequent fiscal years, providing state matching funds for federal Clean Water Act projects, and to carry out the purposes of the Wastewater Facility Construction Loan Act.

The Governor signed both HB 160 and SB 102 on March 2; effective May 18, 2016.

Both bills authorize NMFA to make loans or grants for 42 projects from the Water Project Fund. NMFA establishes the terms and conditions of the loans and grants, as recommended by the Water Trust Board.

Both bills were signed by the Governor on March 4, with emergency clause; effective immediately.

TRANSPORTATION & ROADS

Amends the Off-Highway Motor Vehicle Act to allow operating recreational off-highway and all-terrain vehicles on paved streets, roads and highways at speeds up to 55 mph, except where barred by local ordinance. Permits a local authority by ordinance or resolution to establish separate speed limits and restrictions for operating such vehicles.

Signed by the Governor on March 9; effective May 18, 2016. Governor’s Executive Message states her concern that local governments use their new authority sparingly, only after careful consideration of their community’s needs and the risks associated with off-highway vehicle use.

TREASURERS & ASSESSORS

Provides that a contribution made to a utility for the expansion, improvement, or replacement of property used for the transmission or distribution of its electric power shall not be subject to valuation for property tax purposes.

Signed by the Governor on March 4; effective May 18, 2016.

Allows local governments to purchase federally insured obligations, included brokered certificates of deposit, certificate of deposit account registry service, and federally insured cash accounts.

Signed by the Governor on March 4; effective May 18, 2016.

WORKERS’ COMPENSATION

Reduces the amount of workers’ compensation indemnity benefits payable in proportion to the percent a worker’s use of alcohol or illegal drugs, or misuse of prescription drugs, contributed to the worker’s injury or death. An employer is barred from claiming a reduction in compensation if, before the accident, the employer had actual or constructive knowledge of the intoxication and a reasonable opportunity to take appropriate measures, but failed to do so.

Signed by the Governor on March 3; effective May 18, 2016.

Amends the Public Employees Retirement Act and group insurance provisions to require PERA employers to pay 100 % of an employee’s group insurance contributions when the employee is placed on approved workers’ compensation leave due to injury while performing a public safety function or duty which resulted in that leave.

Signed by the Governor on March 3; effective July 1, 2016.
LOOKING FORWARD TO THE 2017 60-DAY LEGISLATIVE SESSION

The NMAC legislative process begins in the Spring of each year, with the regional post-session district meetings and annual or semi-annual meetings of some affiliates. The Advisory Council, which consists of each Affiliate Chair, meets in Hobbs on May 18, to plan for the June Annual Conference (also in Hobbs) and suggest topics for possible legislative resolutions. The resolutions are discussed during the June Conference, and reviewed by the NMAC Executive Committee and the Ad Hoc Legislative Committee in Santa Fe on July 20. The NMAC Board will select priority legislative issues at their meeting in Lincoln County on August 4.

For questions or comments about this report contact: Tasia Young at 505-469-6409 or tyoung@nmcounties.org.