

INTERGOVERNMENTAL RELATIONS



“Intergovernmental Relations” refers to interaction among the various levels of government, understanding the roles and responsibilities of each level, and developing effective relationships to improve our ability to meet the challenges.

The Importance of State & Federal Partnerships

Public Policy Debate

Intergovernmental collaboration allows local leaders to build relationships that help influence administrative policies with agencies

Leveraging Resources

Competition for resources and diminishing funding means government leaders can no longer "go it on their own" or work in a vacuum. Intergovernmental relations among all levels of government is critical.

Public Safety and Emergency Preparedness

Cooperation among levels of government is critical for responding to an emergency, solving crimes and coordinating logistics for large events. Having these relationships and agreements in place up front avoids confusion and misunderstandings among agencies.

County Role in State and Federal Processes

- Advocate with a collective voice on national policy
- Exchange ideas and build new leadership skills
- Pursue transformational, cost-effective solutions
- Enrich the public's understanding of county government
- Exercise exemplary leadership in public service

NMC State & Federal Partners

Federal

US Department of Interior

Bureau of Land Management

- Wildfire Risk Reduction Grant Program
- Partners for a Clean New Mexico

US Department of Agriculture

State

State of New Mexico – Multiple State Agencies

Councils of Government

New Mexico Municipal League

New Mexico State University - NM EDGE

New Mexico Sentencing Commission



National Association of Counties

The National Association of Counties (NACo) unites America's 3,069 county governments to advocate collectively at the federal level.

Steering Committees

Agriculture & Rural Affairs

Community, Economic & Workforce Development

Environment, Energy & Land Use

Finance, Pensions & Intergovernmental Affairs

Health

Human Services & Education

Justice & Public Safety

Public Lands

Telecommunications & Technology

Transportation



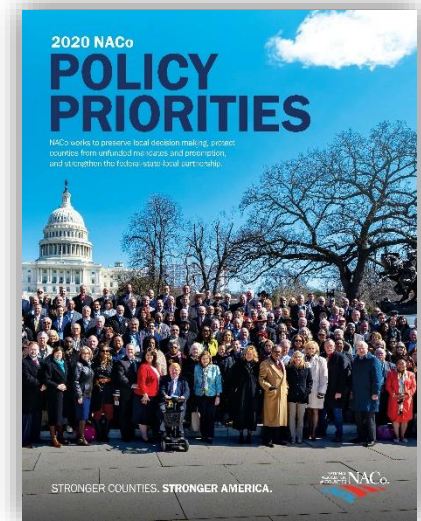
Regulations & Unfunded Mandates

Legislation

- County Infrastructure Priorities
- Mental Health, Substance Abuse, and Criminal Justice Reforms
- Broadband Deployment
- USDA, HUD, Community Services Block Grants
- Marketplace Fairness
- Remote Sales Tax
- Tax-Exempt Status of Municipal Bonds
- Workforce Opportunities & Supportive Services
- Regional and Local Disaster Preparedness

Regulations

- Environmental Protection Act reform
- Definition of “Waters of the US”



Payments in Lieu of Taxes & Secure Rural Schools

In FY20, New Mexico counties received approximately \$41.4 million in PILT and \$10.2 million in SRS

Payments in Lieu of Taxes (PILT)

- Established in 1976
- Offsets county costs for services provided to the federal government
- Certain federal lands not part of the county's tax base

Secure Rural Schools and Community Self-Determination Act (SRS)

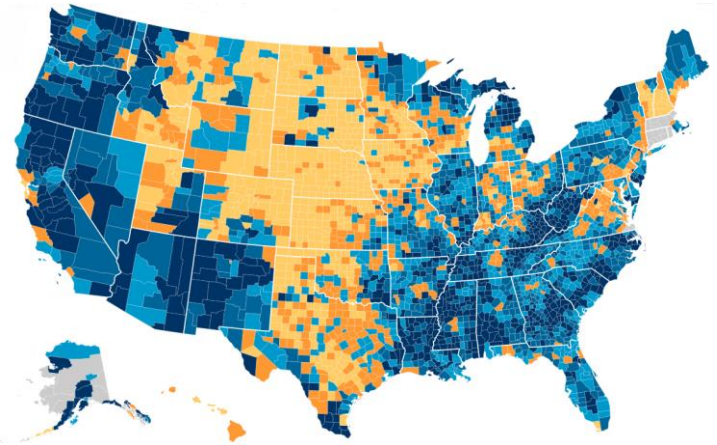
- Established in 2000
- Assists rural counties and school affected by federal policy changes
- Decline in revenue from timber harvests on federal lands

PILT and SRS are critical components of local government budgets, providing funding for law enforcement, fire suppression, public health, education services, roads and infrastructure, and natural resource management.

County Explorer – Data Helps to Tell the Story

Explore New Mexico and your county through over 1000 indicators and nearly 100 data sets organized according to topical areas:

- Administration
- Employment
- Finance
- Demographics
- Education
- Federal Funding
- Justice & Public Safety
- Social Services
- Transportation
- Public Lands



Pay to the order of
STATE AND LOCAL TAX DEDUCTION (SALT)

NEW MEXICO

NUMBER OF HOUSEHOLDS CLAIMING SALT, 2016	PERCENT OF INDIVIDUAL HOUSEHOLDS*	TOTAL AMOUNT PRODUCED BY INDIVIDUALS THROUGH SALT, 2016	PERCENT OF SALT DEDUCTIONS BENEFITING INDIVIDUAL HOUSEHOLDS*	AVERAGE SALT DEDUCTION, 2016
205,780	89.5%	\$1,491.50 M	66.1%	\$7,247

THE SALT deduction has been a bedrock principle since the first three-page Federal Income Tax in 1913 and the deduction supports local school funding, income centers, public utility expense claims, farmland soil and water, off-road vehicle development and local job creation efforts. The principle of state and local control of the system extends back to President Lincoln and even Alexander Hamilton.

SALT deductions protect individuals from double taxation The deduction allows the subtraction of qualifying payments to state and local governments from a person's federally taxable income. By capping the deduction, the federal government is taxing many individuals twice at every paid, levying their disposable income.

Counties urge Congress and the administration to reinforce local decision-making authority and prevent double taxation by supporting legislation to fully restore the SALT deduction.

OVERSIGHT
 Oversight by Congress and the administration to preserve local decision-making and prevent double taxation by maintaining the SALT deduction is comprehensive tax reform.

STATE AND LOCAL GOVERNMENTS PROVIDE CRITICAL SERVICES WITH TAX REVENUE, INCLUDING:

- INFRASTRUCTURE
- EDUCATION
- LAW ENFORCEMENT
- EMERGENCY SERVICES
- HEALTH SERVICES

DOING MORE WITH LESS: STATE REVENUE LIMITATIONS AND MANDATES ON COUNTY FINANCES

NEW MEXICO COUNTIES

150 OF 177 COUNTIES + 33
 TOTAL POPULATION 2016 + 2.1 MILL
 TOTAL LAND AREA + 121,290 SQ MI
 POPULATION DENSITY 2016 + 20.88
 TOTAL COUNTY GENERAL REVENUE + \$9.45 BIL
 SOURCE: NACOG County Explorer (June 2016)

COUNTY OWN FUNDING

- Property Taxes:** Accounting for NACOG's analysis of 2010 and 2011 county financial statements, the primary source of general income for New Mexico counties is property taxes. Under state law, the New Mexico counties have the full right to set their priorities and raise personal property taxes. While most personal property is owned by individuals, property taxes are levied on real estate, personal property, and other assets. Property taxes are levied on real estate and personal property. The majority of personal property taxes are levied on real estate. Property taxes are levied on real estate and personal property. The majority of personal property taxes are levied on real estate.
- Sales and Use Taxes:** New Mexico levies a gross receipts tax on both goods and services rather than a sales tax. Counties that levy a variety of taxes on the gross receipts of businesses for such purposes as county hospitals, law enforcement, education, water, sewer and waste facilities, capital outlay projects, correctional facilities, regional transit districts and sports centers, and other purposes. Some of these taxes are levied through an interlocal agreement with other counties. In New Mexico, they are levied on the purchase of goods by retailers, as to personal property by voters. This tax is levied on the gross receipts of the business and is levied on the gross receipts of the business. Some of these taxes are levied through an interlocal agreement with other counties. In New Mexico, they are levied on the purchase of goods by retailers, as to personal property by voters. This tax is levied on the gross receipts of the business and is levied on the gross receipts of the business.

Category	Limitation	Yes/No
Property Tax Rate Limits	Yes/No	Yes
Limits on Property Assessment Increases	Yes/No	Yes
Limits on County Tax Revenue Growth	Yes/No	Yes
Proposed Property Tax	Yes/No	Yes
Local Opt Out on the Net Worth Limit	Yes/No	Yes
Authority to Create Special Tax Districts	Yes/No	Yes