

New Mexico Counties 2021 Legislative Issues

Priority Issue

County Government

NMC opposes unfunded mandates imposed on county government and opposes legislation that has a significant negative impact on revenue, budgets, and liabilities.

Supported Issues

Revisions to Senate Bill 8: Law Enforcement Body-Worn Cameras

- SB8, passed during the June 2020 Special Session, took effect 90-days after bill signing (September 20, 2020).
- Counties did not have adequate time to develop policies for training, storage, and funding.
- Counties did not receive an appropriation from the legislature to implement the bill and due to the timing of the bill passage missed federal funding opportunities. Significant costs include data storage, equipment and additional staffing.

Disposition of Personal Property for Counties

- Revise the New Mexico Statutes Annotated to include counties with municipalities and school districts in regards to the statutes on the disposition of property.
- Counties should receive the same personal property exemption as municipalities and school districts.

Allow Non-Profits to receive Capital Outlay Funds Directly from the State

- Allow qualified and established non-profit organizations to secure capital outlay and other programmatic funding directly from the state legislature without having to go through local government that must own the capital improvement.
- Nonprofit capital outlay requests should be considered and acted upon separate from local government capital outlay requests, so that there is no competition for funding.
- Requests from non-profits for capital outlay incur challenges as part of managing county operational and capital budgets.
- Many non-profit organizations provide valuable community services that government cannot; counties recognize the contributions of non-profits and want to be part of a solution that helps them become more self-sufficient without county ownership of their capital improvement.
- This issue may not be relevant to smaller counties in New Mexico, but is becoming a management and financial challenge for larger counties.

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Amend Solar Energy Improvement Special Assessment to apply to Commercial Real Estate Only.

- Amend Section 4-55C-3, Solar Energy Improvement Special Assessment, to remove the residential property assessment as passed in 2019 House Bill 440; the Treasurers' Affiliate 2019 legislative issue supported only Commercial Property Assessed Clean Energy (C-PACE), opposing residential property assessments.
- HUD stopped insuring new FHA mortgages in 2017 with residential energy improvement assessments, citing growing taxpayer risk to repay loans, refinance, or sell their homes.
- Significant issues: 1) county treasurers are not private loan collectors per their constitutional duties; 2) federal agency reluctance to purchase debt with PACE may hurt local real estate markets; 3) increased property tax bills may hinder property tax revenues for local entities; and 4) lack of consumer protections may encourage predatory lending practices.

Opposed Issues

Legislation that would create a New Civil Rights Cause of Action under the NM Constitution.

- Greatly expands liability for public entities—state, counties, cities, schools, acequias, soil and water conservation districts, etc.—so that New Mexico will become the most generous and plaintiff-friendly state in the country, despite the fact that we are one of the poorest states.
- Every additional dollar that goes towards paying lawyers and plaintiffs (estimated to cost New Mexico governments tens of millions of dollars every year) is one less dollar that goes towards essential services, e.g., education, health care, social services, law enforcement, roads, etc.
- This bill will set up a very uneven playing field where trial lawyers will become greatly enriched.
- The changes proposed in this bill are wholly unnecessary since there already are remedies for civil rights violations under federal law and under state law for law enforcement.

Legislation that would create a New Special Valuation or Classification re: Leased Residential Solar Taxed as Personal Property

- Oppose creating a new special valuation class and property tax for leased solar improvements on residential property as personal property.
- This could create special carve-out valuations and property taxes, which do not meet four of the five principles of good tax policy - fairness/equity, efficiency, simplicity, and accountability.
- The Assessors and Treasurers Affiliates opposed HB283: PROPERTY TAX OF SOLAR ENERGY SYSTEMS during the 2020 session that proposed to establish a new special method of property tax valuation for certain residential solar system installations, i.e. leased residential solar; the bill died in committee.

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