

2022 New Mexico State Legislature



Below is the list of bills we are tracking for you as well as their location. If any Fiscal Impact Reports, Substitutes or Amendments are available, they have been linked below each bill number so you can easily click on them to open those pdfs. If a bill does not indicate to support, oppose or monitor, please let us know your position on the bill. Please do not hesitate to contact Scott, Carrie or Tennille with any questions or concerns.

House Bill 163 PASSED-S

[House Bill 163](#)
[Fiscal Impact Report](#)
[House Tax and Rev Substitute](#)
[Amendments in Context](#)

TAX CHANGES

Sponsor
Christine Chandler
Javier Martínez
Peter Wirth

Introduced: January 28

Position:

- ☐ Support
- ☐ Oppose
- ☐ Monitor
- ☐ Neutral

Summary:

House Bill 163 (HB 163) makes the following tax changes: creates a one-time income tax rebate; reduces the rate of Gross Receipt (GRT) and Compensative Tax (CT) rates one-quarter of a percent; provides for an increase in GRT if GRT revenue decreases; creates a GRT deduction for sales of services to manufacturers; implements a temporary GRT deduction for restaurants; and prohibits new local government GRTs for five years. HB 163 declares an emergency.

Legislation Overview:

House Bill 163 (HB 163) make several changes to the tax code. The bill declares an emergency and takes effect immediately upon its passage and approval, provided it is passed by two-thirds vote of each house.

Income Tax Rebate

The bill creates a one-time tax rebate for 2021 only for the following filers.

Single, head of household, surviving spouse, married filing joint: \$300

Married filing separately, \$150

The rebate is deducted from tax liability and the remaining credit is refundable.

Gross Receipts Tax (GRT) and Compensating Tax (CT) Rates

The bill reduces the GRT and CT tax rate from 5.125% to 4.875%. For the next 10 years HB 163 provides a mechanism to restore of the GRT and CT rates to 5.125% if GRT revenues decline more than 5% over the prior fiscal year. The Department of Finance and Administration will determine if an increase in GRT and CT rates by February each year.

GRT Deduction for food and beverage businesses

HB 163 extends a GRT deduction from receipts for a food or beverage establishment from the sale of prepared food or non-packaged beverages served, picked-up, or delivered. The deduction is the receipts for the period March 1 through June 30, 2022. Qualifying businesses are craft distiller, dispenser, mobile food units, restaurants, small brewers, and winegrowers.

GRT and Governmental GRT (GGRT) Deduction – manufacturing

Receipts from selling professional services can be deducted from GR and GGR if the services are related to the product that the buyer is in the business of manufacturing. The deduction will be reported separately and as required by the Taxation and Revenue Department (TRD). TRD will compile an annual report with aggregate data and present to relevant legislative committees. Professional services are accounting, architectural, engineering, information technology, and legal services.

Local Government Limits on GRT Imposition

The bill prohibits local governments from imposing new Local Option Taxes for the next five years beginning July 2022. However, they are allowed to extend existing taxes if they expire prior to the five-year period, July 1, 2027.

Disclosed Agency

HB 163 defines disclosed agency as an agent receiving money on behalf of the principal if the agent disclosed the relationship to a third party or the third party has factual knowledge that the agent receives money on behalf of the principal. New Mexico's GRT allows an exclusion from the tax base for amounts received on behalf of another as a disclosed agent. This provision allows disclosed agencies to claim the existing exemption from GRT and CT easier.

Amendments:

02/14/2022 House Floor Amendment #1 (Hfla)

HB 163 HTRCcs Hfla added a temporary Income Tax Exemption for military retirement pay. For TY22, \$10,000 may be excluded from taxable income; TY23, \$20,000; and TY24 through TY26, \$30,000. Former members of the armed forces who have qualified either by service or disability for lifetime benefits are eligible for the exemption.

Committee Substitute:

02/14/2022 House Taxation and Revenue Committee substitute (HTRCcs)

HTRC substituted House Bill 163 (HB 163 HTRCcs) and incorporates many sections of SB5 STBTcs. The substitute bill eliminates the Income Tax Credit Rebate, GRT Deduction for food and beverage businesses, and limits on local government GRT imposition.

Gross Receipts Tax (GRT) and Compensating Tax (CT) Rates

The bill reduces the GRT and CT tax rate from 5.125% to 4.875%. Beginning in Fiscal Year 2023 and for the next five years HB 163 HTRCcs provides a mechanism to restore of the GRT and CT rates to 5.125% if GRT revenues decline more than 5% over the prior fiscal year. The Department of Finance and Administration will determine if an increase in GRT and CT rates by February each year.

Nurse Income Tax Credit

HB 163 HTRCcs creates an Income Tax Credit for Tax Year 2022 only for nurses employed fulltime at a hospital in the state. The credit is in the amount of \$1,000 and is refundable if the credit is greater than the taxpayer's tax liability. The Taxation and Revenue Department must compile an annual report with aggregate data and present it to relevant legislative committees. Eligible nurses are licensed registered nurses or licensed practical nurses.

Child Income Tax Credit

The bill creates the Child Income Tax Credit from \$25 to \$175 based on personal income. The maximum amount of credit is \$175 per qualifying child for tax filers with an adjusted income of \$25,000 and less. The credit decreases as income increases until it's \$25 for each child for filers with income over \$350,000. If the credit exceeds tax liability, it is refundable. Any minor child or stepchild of the taxpayer who would be a qualifying child for federal income tax purposes is a qualifying child for the credit. HB 163 HTRCcs requires the Department of Taxation and Revenue (TRD) to report annually aggregate data and analysis necessary to evaluate the tax credits' effectiveness. The report will be presented to relevant legislative committees. The credit begins in Tax Year 2022 and is repealed in five years.

Social Security Income Tax Exemption

Beginning with Tax Year 2022 (TY22), HB 163 HTRCcs proposes to exempt federal Social Security (SS) income from state income tax for the following filers who do not exceed the listed federal adjusted gross income cap.

\$75,000 married filing separate;

\$150,00 head of household, surviving spouses, and married filing joint; and

\$100,000 for single.

New Solar Market Development Income Tax Credit Extension

HB 163 HTRCcs extends the New Solar Market Development Tax Credit (credit) five years through TY32 for systems installed beginning in 2022. The aggregate amount of the credit, currently certified by the Energy, Minerals, and Natural Resources Department (EMNRD) in a calendar year increases from \$8 million to \$12 million. Certificates of eligibility may be sold or transferred to others, but the parties must notify EMNRD of the transfer within 10 days of the change of owner. Any credit amount that exceeds the taxpayer's tax liability will be refunded instead of being carried forward in succeeding TYs. Amount of the credit for the purchase and installation of solar thermal systems or photovoltaic systems in a residence or business in the amount of 10% up to a maximum of \$6,000 of the cost remains unchanged.

Sustainable Building Tax Credit

The bill moves forward the date for qualifying construction of buildings ready for broadband- and electric vehicle-ready under the 2021 Sustainable Building Tax Credits (credits), personal income and corporate. Commercial and residential projects completed by January 1, 2022, are eligible for the credits. Current statute allows projects to qualify beginning April 1, 2023. HB 163 HTRCcs shortens the credit repeal date of 2030 to 2028 and prohibits the use of systems from using both the New Solar Market Development Tax Credit and Sustainable Building Tax Credit.

GRT and Governmental GRT (GGRT) Deduction – Manufacturing

Receipts from selling professional services can be deducted from GR and GGR if the

services are related to the product that the buyer is in the business of manufacturing. The deduction will be reported separately and as required by the Taxation and Revenue Department (TRD). TRD will compile an annual report with aggregate data and present to relevant legislative committees. Professional services are accounting, architectural, engineering, information technology, and legal services.

GRT and GGRT Deduction – Feminine Hygiene Products

Receipts from the sale of feminine hygiene products (tampons, menstrual pads, pantliners, menstrual sponges and cups) can be deducted from GR and GGR. The deduction will be reported separately and as required by TRD. TRD will compile an annual report with aggregate data and present to relevant legislative committees.

Disclosed Agency

The bill defines disclosed agency as an agent receiving money on behalf of the principal if the agent disclosed the relationship to a third party or the third party has factual knowledge that the agent receives money on behalf of the principal. New Mexico's GRT allows an exclusion from the tax base for amounts received on behalf of another as a disclosed agent. This provision allows disclosed agencies to claim the existing exemption from GRT and CT easier.

Scott's Notes

BILL STATUS--CHECKMARK DENOTES MOVEMENT OF THE BILL--

House Committee Referrals

- ☒ HTRC substitute

House Floor Action

- ☒ Passed amended 59-9
☐ Failed

Senate Committee Referrals

- ☒ SFC amended

Senate Floor Action

- ☒ Passed 39-0 amended
☐ Failed

Concurrence

- ☒ Yes
☐ No

Governor Action

- ☒ Signed
☐ Vetoed
☐ Pocket Veto

House Bill 219 PASSED-PV

[House Bill 219](#)

[Fiscal Impact Report](#)

[House Government, Elections and Indian Affairs Committee Substitute](#)

PUBLIC PEACE, HEALTH, SAFETY & WELFARE

Sponsor

Randall T. Pettigrew

Introduced: February 2

Position:

- ☐ Support
- ☐ Oppose
- ☐ Monitor
- ☐ Neutral

Summary:

The proposed House Government, Elections and Indian Affairs Committee Substitute for HB 219 increases the salary caps applicable to elected county officials.

Legislation Overview:

The proposed HGEIAC cs/HB 219 amends Sections 4-44-4, 4-44-4.1, 4-44-5, and 4-44-14 by increasing the maximum annual salaries for elected county officials.

The salaries for officials in Class A counties are:

- County commissioners: \$44,972 (increased from \$39,106)
- Treasurer, Assessor, and County clerk: \$99,620 (increased from \$86,626)
- Sheriff: \$103,889 (increased from \$90,338).
- Probate judge: \$43,831 (increased from \$38,114)

The salaries for officials in Class B (high valuation) counties are:

- County commissioners: \$34,725 (increased from \$30,196)
- Treasurer, Assessor, and County clerk: \$87,093 (increased from \$75,733)
- Sheriff: \$90,795 (increased from \$78,952).
- Probate judge: \$30,454 (increased from \$26,482)

The salaries for officials in Class B counties (intermediate valuation) are:

- County commissioners: \$24,764 (increased from \$21,534)
- Treasurer, Assessor, and County clerk: \$74,571 (increased from \$64,844)
- Sheriff: \$77,986 (increased from \$67,814).
- Probate judge: \$17,363 (increased from \$15,098)

The salaries for officials in Class H counties are:

- **Treasurer, Assessor, and County clerk: \$87,093 (increased from \$75,733)**
- **Sheriff: \$90,795 (increased from \$78,952).**

The increases in this bill do not take effect until the first day of the term of an elected or appointed official who takes office after the effective date of the act.

Scott's Notes

Pay raise bill for H Class counties.

BILL STATUS--CHECKMARK DENOTES MOVEMENT OF THE BILL--

House Committee Referrals

- ☒ HGEIC substituted Do Pass

House Floor Action

- ☒ Passed 66-0
☐ Failed

Senate Committee Referrals

- ☒ SHPAC

Senate Floor Action

- ☒ Passed 38-0
☐ Failed

Concurrence

- ☐ Yes
☐ No

Governor Action

- ☐ Signed
☐ Vetoed
☒ Pocket Veto

House Joint Resolution 1 PASSED

[House Joint Resolution 1](#)

[Fiscal Impact Report](#)

[House Transportation and Public Works Committee Amendment](#)

PUBLIC ASSISTANCE FOR HOUSEHOLD SVCS., CA

Sponsor

Anthony Allison

Christine Chandler

Candie G. Sweetser

Introduced: pre-file

Position:

- ☐ Support
- ☐ Oppose
- ☐ Monitor
- ☐ Neutral

Summary:

House Joint Resolution 1 (HJR 1) proposes to amend Article 9, Section 14 of the NM Constitution to allow public assistance to provide funding for “essential household services”, as defined, and primarily for residential use, upon the enactment of general implementing legislation by a majority vote of each house.

Legislation Overview:

House Joint Resolution 1 (HJR 1) proposes to amend Article 9, Section 14 of the NM Constitution (the anti-donation clause) by adding subsection H to create an exception to the anti-donation clause for funding for essential household services that are primarily residential. These services are defined as: infrastructure that allows internet, energy, water, wastewater or other services as provided by law.

If passed, HJR 1 will be submitted to the people of the state who will approve or reject this proposed amendment at the next general election or at any special election prior to that date that may be called for that purpose.

Scott's Notes

This constitutional amendment will appear on the November ballot.

BILL STATUS--CHECKMARK DENOTES MOVEMENT OF THE BILL--

House Committee Referrals

- ☒ HTPWC amended Do Pass
- ☒ HJC

House Floor Action

- ☒ Passed 43-23
- ☐ Failed

Senate Committee Referrals

- ☒ SJC
- ☒ SRC

Senate Floor Action

- ☒ Passed 25-14
- ☐ Failed

Concurrence

- ☐ Yes
- ☐ No

Governor Action

- ☐ Signed
- ☐ Vetoed
- ☐ Pocket Veto

House Joint Resolution 2 FAILED

[House Joint Resolution 2](#)

[Fiscal Impact Report](#)

[House Energy, Environment and Natural Resources Committee Substitute](#)

ENVIRONMENTAL RIGHTS, CA

Sponsor

Joanne J. Ferrary

Introduced: pre-file

Position:

- ☐ Support
- ☐ Oppose
- ☐ Monitor
- ☐ Neutral

Summary:

House Joint Resolution 0002 (HJR 2) proposes to amend the NM Constitution by adding a new section to Article 2 that provides the people of the state with environmental rights and directs the state to protect environmental resources for the benefit of all the people. It repeals the current pollution control provisions of Article 20, Section 21 of the NM Constitution.

Legislation Overview:

House Joint Resolution 0002 (HJR 2) proposes to amend the NM Constitution by adding a new section of Article 2 (Bill of Rights) that provides the people of the state with environmental rights that include the right to a clean and healthy environment and the right to the preservation of the natural, cultural, scenic and healthful qualities of the environment.

HJR 2 designates the state, including each branch, agency and political subdivision, as trustee of these environmental resources with the responsibility to conserve, protect and maintain these resources for the benefit of all the people, including future generations. It does not require legislative approval or enactments. It prohibits the award of monetary damages under this section.

HJR 2 would repeal the Article 20, Section 21 of the NM Constitution which gave the legislature the power to control pollution.

If passed, HJR 2 will be submitted to the people of the state who will approve or reject this proposed amendment at the next general election or at any special election prior to that date that may be called for that purpose

Scott's Notes

BILL STATUS--CHECKMARK DENOTES MOVEMENT OF THE BILL--

House Committee Referrals

- ☒ HENRC tabled **Substituted and Do Pass**

☐ HJC

House Floor Action

☐ Passed

☐ Failed

Senate Committee Referrals

☐

Senate Floor Action

☐ Passed

☐ Failed

Concurrence

☐ Yes

☐ No

Governor Action

☐ Signed

☐ Vetoed

☐ Pocket Veto

Senate Bill 1 PASSED-S

[Senate Bill 1](#)
[Fiscal Impact Report](#)
[LESC Analysis](#)

INCREASING SALARY FOR LICENSED TEACHERS

Sponsor: Mimi Stewart

Introduced: pre-filed

Position:

- ☐ Support
- ☐ Oppose
- ☐ Monitor
- ☐ Neutral

Summary:

Senate Bill 221617 (SB 221617) amends Public Education to increase the minimum salaries of Level One, Level Two and Level Three licensed teachers.

Legislation Overview:

Senate Bill 221617 (SB 221617) amends Public Education to increase Level One, Level Two, and Level Three licensed teachers minimum salaries by \$10,000 for each level to \$50,000, \$60,000 and \$70,000 respectively.

The amended sections follow:

SECTION 1 amends Subsection G of Section 22-10A-7 NMSA 1978 (being Laws 2003, Chapter 153, Section 38, as amended by Laws 2019, Chapter 206, Section 21 and by Laws 2019, Chapter 207, Section 21) to increase level one teacher salaries from the minimum \$40,000 to \$50,000 for a standard nine and one-half month contract; provided that teachers in an extended learning time program or K-5 plus program shall receive additional salary at the same rate as their base salary for that teaching time.

SECTION 2 amends Subsection D of Section 22-10A-10 NMSA 1978 (being Laws 2003, Chapter 153, Section 41, as amended by Laws 2019, Chapter 191, Section 1 and by Laws 2019, Chapter 206, Section 22 and also by Laws 2019, Chapter 207, Section 22) to increase level two teacher salaries from the minimum salary \$50,000 to \$60,000 for a standard nine and one-half month contract; provided that teachers in an extended learning time program or K-5 plus program shall receive additional salary at the same rate as their base salary for that teaching time.

SECTION 3 amends Subsection C of Section 22-10A-11 NMSA 1978 (being Laws 2003, Chapter 153, Section 42, as amended by Laws 2019, Chapter 206, Section 23 and by Laws 2019, Chapter 207, Section 23) to increase level three-A teacher salaries from the minimum \$60,000 to \$70,000 for a standard nine and one-half month contract; provided that teachers in an extended learning time program or K-5 plus program shall receive additional salary at the same rate as their base salary for that teaching time.

SECTION 4 makes the effective date of this act July 1, 2022.

Scott's Notes

BILL STATUS--CHECKMARK DENOTES MOVEMENT OF THE BILL--

Senate Committee Referrals

- ☒ SEC Do Pass
- ☒ SFC Do Pass

Senate Floor Action

- ☒ Passed 35-0
- ☐ Failed

House Committee Referrals

- ☒ HEC Do Pass
- ☒ HAFC

House Floor Action

- ☒ Passed 68-0
- ☐ Failed

Concurrence

- ☐ Yes
- ☐ No

Governor Action

- ☒ Signed
- ☐ Vetoed
- ☐ Pocket Veto

Senate Bill 5 FAILED

[Senate Bill 5](#)

[Fiscal Impact Report](#)

[Senate Tax, Business and Transportation Committee Substitute](#)

REDUCING RATES OF GROSS RECEIPTS TAX

Sponsor

Roberto "Bobby" J. Gonzales

Michael Padilla

Introduced: January 18

Position:

- ☐ Support
- ☐ Oppose
- ☐ Monitor
- ☐ Neutral

Summary:

Senate Bill 5 (SB 5) reduces Gross Receipts and Compensating Tax (CRT) rates from 5.125 to 4.875 and defines what a disclosed agency is in GRT Act.

Legislation Overview:

Senate Bill 5 (SB 5) reduces the Gross Receipts and Compensating Tax (CRT) rates from 5.125 to 4.875. SB 5 also defines disclosed agency as an agent receiving money on behalf of the principal if the agent disclosed the relationship to a third party or the third party has factual knowledge that the agent receives money on behalf of the principal.

The effective date of SB 5 is July 1, 2022.

Scott's Notes

This is the Senate tax package.

BILL STATUS--CHECKMARK DENOTES MOVEMENT OF THE BILL--

Senate Committee Referrals

- ☒ STBTC substitute
- ☐ SFC

Senate Floor Action

- ☐ Passed
- ☐ Failed

House Committee Referrals

☐

House Floor Action

- ☐ Passed
- ☐ Failed

Concurrence

- ☐ Yes
- ☐ No

Governor Action

- ☐ Signed
- ☐ Vetoed
- ☐ Pocket Veto

Senate Bill 48 PASSED-V

[Senate Bill 48](#)

[Fiscal Impact Report](#)

[Senate Finance Committee Substitute](#)

[House Appropriations and Finance Committee Amendment](#)

[House Appropriations and Finance Amendments in Context](#)

GEN APPROPRIATIONS AND AUTH EXPENDITURES

Sponsor

George K. Munoz

Introduced: January 18

Position:

- ☐ Support
- ☐ Oppose
- ☐ Monitor
- ☐ Neutral

Summary:

SFC Committee Substitute for SB48 (a.k.a. 'Junior') makes 251 member-designated General Fund appropriations to State departments, agencies, boards & commissions; the judiciary and courts; public education and higher education. SFC CS/SB48 contains 141 non-recurring appropriations for FY22-FY23, totaling \$12,600,000, and 110 recurring appropriations for FY23, also totaling \$12,600,000.

Legislation Overview:

SFC CS/SB48 allocates \$25.2 million from the General Fund (GF) to State departments, agencies, boards and commissions; the judiciary and courts; public education and higher education. It includes \$12,600,000 in non-recurring appropriations for the remainder of FY22 and FY23, and \$12,600,000 in recurring appropriations for FY23. Unencumbered or unexpended balances on appropriations will revert to the GF at the end of their designated fiscal year.

LOCAL GOVERNMENTS: DFA's Local Government Division will administer nearly all of the \$4,774,000 appropriated to the Dept. of Finance & Administration. These allocations fund more than 60 projects, programs and acquisitions in local communities across the state. They include acquiring public safety vehicles and communications equipment, building and reservoir repairs, park improvements, and abuse prevention, victim services, and food security programs.

EDUCATION: Appropriations to the Public Education Dept. in SFC CS/SB48 total \$1,200,000 and will help fund a variety of programs, including career and vocational education, and media literacy programs. Appropriations to the Higher Education Dept. and public higher education institutions total \$7,615,000 and include funding for programs and projects at UNM; NMSU; New Mexico Tech; Eastern, Western and Highlands universities; Northern New Mexico College; Central New Mexico Community College; San Juan College; and Santa Fe Community College as well as the Dept. of Agriculture, Agricultural Experiment Station, and Cooperative Extension Service administered by NMSU.

COURTS: Appropriations to the Supreme Court, district courts, Administrative Office of the Courts, and the Crime Victims Reparation Commission in SFC CS/SB48 total \$2,135,000.

HEALTH & HUMAN SERVICES: Appropriations to the Children, Youth & Families Dept.; Human Services Dept.; Dept. of Health; Aging & Long-term Services; Commission for the Deaf & Hard of Hearing; and Dept. of Veterans Services total \$3,700,000.

CULTURAL AFFAIRS: Appropriations to the Dept. of Cultural Affairs, Indian Affairs Dept., Office of African American Affairs, and the Land Grant Council total \$1,550,000.

ECONOMIC DEVELOPMENT & TOURISM: \$250,000 is appropriated to the Tourism Dept. and \$250,000 to the Economic Development Dept.

NATURAL RESOURCES & ENVIRONMENT: A total of \$1,825,000 is appropriated to the Energy, Minerals & Natural Resources Dept.; Environment Dept.; Office of the State Engineer; and Livestock Board.

GENERAL GOVERNMENT: Appropriations to Legislative Council Services, Secretary of State, State Personnel Office, and Regulation & Licensing Dept. total \$1,900,000.

Scott's Notes

This is the "Jr. bill."

We received:

LAC Heath Council \$50K

BILL STATUS--CHECKMARK DENOTES MOVEMENT OF THE BILL--

Senate Committee Referrals

☒ SFC Substituted

Senate Floor Action

☒ Passed 40-0

☐ Failed

House Committee Referrals

☒ HAFB amended

House Floor Action

☒ Passed 67-0

☐ Failed

Concurrence

☒ Yes

☐ No

Governor Action

☐ Signed

- ☒ Vetoed
- ☐ Pocket Veto

Senate Bill 76 SUPPORT FAILED

[Senate Bill 76](#)

RURAL AIR SERVICE CHANGES

Sponsor

Roberto "Bobby" J. Gonzales

Introduced: January 19

Position:

- ☒ Support
- ☐ Oppose
- ☐ Monitor
- ☐ Neutral

Summary:

SB76 relates to aviation by amending the Rural Air Service Enchantment Act to broaden eligibility for Rural Air Service Enhancement Grants, temporarily reserving a portion of the Rural Air Service Enhancement Fund for eligible applicants with new or expanded air routes to be used by aircraft with a capacity of not more than nine persons. An appropriation is included in this Act.

Legislation Overview:

SB76 states that Section 64-6-2 NMSA 1978 (being Laws 2021, Chapter 47, Section 2) is amended with new definitions to include: "Air route" means any scheduled operation or public charter; "charter flight" means a flight operated under the terms of a charter contract between a direct air carrier and the carrier's customer. "Charter flight" does not include scheduled air transportation, scheduled foreign air transportation or nonscheduled cargo air transportation, sold on an individually ticketed or individually waybilled basis; "Expanded air route" means an air route served by the rural air service enhancement grant program that expands passenger capacity or the number of scheduled operations or public charter flights from what was served at the time a grant was made.

"New air route" means an air route to be served by the rural air service enhancement grant program that was not served prior to January 1, 2021; "public charter" means a one-way or round-trip charter flight to be performed by one or more direct air carriers that is arranged and sponsored by a charter operator; and "scheduled operation" means any common carriage passenger-carrying operation for compensation or hire conducted by an air carrier for which the air carrier or the air carrier's representatives offers in advance the departure location, departure time and arrival location.

Language in Section 2 provides that the Director of the Aviation Division of the Department of Transportation may now award grants for new air routes or expanded air routes based on demand, economic impact, and feasibility.

Reference to scheduled air routes is stricken and replaced with "air routes" for counties and municipalities that had a population of twenty thousand residing within a fifty mile radius of an airport.

Passenger capacity is raised from nine to not more than thirty passengers per aircraft to service air routes or expanded air routes, although a limit on appropriations for air routes

served by air craft with no more than nine seats is to be noted later in this Act. Minimum matching funds has been lowered from fifty to twenty percent, if the municipality or county has existing scheduled air routes at the time of application. In Section 3 pertaining to grant application for air routes grants must include facility description, an estimate of demand, identification of an air carrier and aircraft that would serve the air route or expanded air route. Also, a description of existing air routes and proposed air routes or expanded air routes, a justification for the proposed air routes, and a time frame for subsidizing the new air route or expanded air route. New language provides that the "Rural Air Service Enhancement Fund" would now become a non-reverting fund in the State Treasury. In Section 4 that creates the fund, new language provides that in fiscal year 2023, if funds are available, at least nine million dollars (\$9,000,000) in grants shall be made from the fund to eligible applicants with proposed new air routes or expanded air routes to be used for aircraft with a passenger capacity of not more than nine persons.

Scott's Notes

BILL STATUS--CHECKMARK DENOTES MOVEMENT OF THE BILL--

Senate Committee Referrals

- ☐ STBTC
- ☐ SFC

Senate Floor Action

- ☐ Passed
- ☐ Failed

House Committee Referrals

- ☐

House Floor Action

- ☐ Passed
- ☐ Failed

Concurrence

- ☐ Yes
- ☐ No

Governor Action

- ☐ Signed
- ☐ Vetoed
- ☐ Pocket Veto

Senate Bill 212 SUPPORT PASSED-S

[Senate Bill 212](#)

[Fiscal Impact Report](#)

[Senate Finance Committee Substitute](#)

SEVERANCE TAX BOND PROJECTS

Sponsor

Nancy Rodriguez

Introduced: February 2

Position:

- ☒ Support
- ☐ Oppose
- ☐ Monitor
- ☐ Neutral

Summary:

Senate Bill 212 (SB 212) authorizes conditions and issue of Severance Tax Bonds for capital projects in the amount of \$287,251,821. SB 212 also authorizes expenditures from other state funds and balances in the amount of \$111,426,500, makes appropriations, and declares an emergency. Projects authorized total \$398,678,321.

Legislation Overview:

Senate Bill 212 (SB 212) authorizes the issue of Severance Tax Bonds (STBs) in the amount of \$287,251,821 and other state funds in the amount of \$111,426,500 for a total of \$398,678,321 for purposes disclosed in the act. The State Board of Finance is charged with the sale of bonds and compliance with the federal tax code. Agencies receiving financing from the STBs proceeds must certify that the money is needed for the purpose stated in SB 212; the project is developed so at least 5% of the bond proceeds will be spent; and at least 85% spent within three years of when the funding becomes available.

SB 212 provides a fund reversion schedule ranging from six months to Fiscal Year 2026 depending on origin of funding (STB, funds) and type of project. Indirect costs are disallowed except for Capital Program Fund money. One percent of appropriations for Art in Public Places Fund is included in project allocation.

Other state funds included with STB: Miners' Trust Fund (MTF), Game Protection Fund (GPF), Fire Protection Fund (FPF), Big Game Enhancement Account Game Protection Fund (BEGP), Habitat Management Fund (HMF), Public School Capital Outlay Fund (PSCO), Educational Retirement Fund (ERF)

Project list by County

| | | |
|------------|---------------|---------|
| Bernalillo | \$ 35,659,287 | STB |
| Colfax | \$ 1,300,000 | MTF |
| Curry | \$ 11,000,000 | STB |
| Dona Ana | \$ 13,925,000 | STB |
| Grant | \$ 9,000,000 | GPF/STB |
| Guadalupe | \$ 130,000 | STB |
| Lincoln | \$ 150,000 | STB |

ATTACHMENT B

| | | |
|-------------|---------------|-----------------------|
| Multiple Co | \$ 12,299,362 | STB |
| Otero | \$ 2,127,000 | STB |
| Rio Arriba | \$ 1,100,000 | STB |
| San Juan | \$ 494,686 | STB |
| San Miguel | \$ 5,361,486 | STB |
| Santa Fe | \$ 68,973,000 | STB |
| Sierra | \$ 28,000,000 | STB |
| Socorro | \$ 300,000 | FPF |
| Statewide | \$208,858,500 | STB/GPF/BEGP/HMF/PSCO |

Project List by Agency

| | | |
|------------------------------------|---------------|--------------|
| Administrative Offices of Courts | \$ 29,130,000 | STB |
| Aging, Long-Term Dept | \$ 1,000,000 | STB |
| Bernalillo Courts | \$ 540,000 | STB |
| Border Authority | \$ 3,425,000 | STB |
| Capital Program Fund | \$122,503,000 | STB |
| Cultural Affairs | \$ 4,255,000 | STB |
| Cumbres & Toltec Railroad | \$ 1,100,000 | STB |
| Courts, Various Judicial Districts | \$ 2,005,821 | STB |
| Economic Development Dept | \$ 10,000,000 | STB |
| Public Education Dept | \$ 9,076,500 | STB/PSCO |
| Educational Retirement Board | \$ 5,000,000 | ERF |
| Energy, Minerals, Nat Res Dept | \$ 10,000,000 | STB |
| Parks | \$ 1,350,000 | STB |
| State Engineer | \$ 5,600,000 | STB |
| Environment Dept | \$ 1,500,000 | STB |
| State Fair | \$ 4,500,000 | STB |
| Finance and Administration | \$ 9,000,000 | STB |
| Game and Fish | \$ 24,500,000 | GPF/BEGP/HMF |
| Homeland Security | \$ 2,500,000 | STB/FPF |
| Indian Affairs | \$ 1,500,000 | STB |
| Information Technology Dept | \$ 26,000,000 | STB |
| Interstate Stream Commission | \$ 10,600,000 | STB |
| Military Affairs | \$ 5,150,000 | STB |
| Miners' Hospital | \$ 1,300,000 | MTF |
| Public School Facilities Auth | \$ 75,000,000 | PSCO |
| Spaceport Authority | \$ 6,000,000 | STB |
| Supreme Court | \$ 1,343,000 | STB |
| Higher Education | \$ 2,100,000 | STB |
| Eastern New Mexico University | \$ 150,000 | STB |
| New Mexico State University | \$ 11,500,000 | STB |
| University of New Mexico | \$ 8,000,000 | STB |
| Western New Mexico University | \$ 2,000,000 | STB |
| Veteran's Services Department | \$ 100,000 | STB |
| NM School for Blind | \$ 950,000 | STB |

SB 212 declares an emergency and takes effect immediately upon its passage and approval, provided it is passed by two-thirds vote of each house. If it does not pass by the required vote then it will become effective June 1, 2022.

Scott's Notes

This is a shell bill that should turn into the capital outlay bill. It will be amended towards the end of the Session.

We received \$400K for the Water Production Pipeline project in this bill.

BILL STATUS--CHECKMARK DENOTES MOVEMENT OF THE BILL--

Senate Committee Referrals

- ☒ SFC substitute

Senate Floor Action

- ☒ Passed 38-0
☐ Failed

House Committee Referrals

- ☒ HTRC Do Pass

House Floor Action

- ☒ Passed 64-0
☐ Failed

Concurrence

- ☐ Yes
☐ No

Governor Action

- ☐ Signed
☐ Vetoed
☐ Pocket Veto

Senate Joint Resolution 2 FAILED

[Senate Joint Resolution 2](#)

ENVIRONMENTAL RIGHTS, CA

Sponsor: Antoinette Sedillo-Lopez

Introduced: pre-file

Position:

- ☐ Support
- ☐ Oppose
- ☐ Monitor
- ☐ Neutral

Summary:

Senate Joint Resolution 221268 (SJR) proposes to amend the NM Constitution by adding a new section to Article 2 that provides the people of the state with environmental rights and directs the state to protect environmental resources for the benefit of all the people. It repeals the current pollution control provisions of Article 20, Section 21 of the NM Constitution.

Legislation Overview:

Senate Joint Resolution 221268 (SJR)proposes to amend the NM Constitution by adding a new section of Article 2 (Bill of Rights) that provides the people of the state with environmental rights that include the right to a clean and healthy environment and the right to the preservation of the natural, cultural, scenic and healthful qualities of the environment.

SJR designates the state, including each branch, agency and political subdivision, as trustee of these environmental resources with the responsibility to conserve, protect and maintain these resources for the benefit of all the people, including future generations. It does not require legislative approval or enactments. It prohibits the award of monetary damages under this section.

SJR would repeal the Article 20, Section 21 of the NM Constitution which gave the legislature the power to control pollution.

If passed, SJR will be submitted to the people of the state who will approve or reject this proposed amendment at the next general election or at any special election prior to that date that may be called for that purpose

Scott's Notes

BILL STATUS--CHECKMARK DENOTES MOVEMENT OF THE BILL--

Senate Committee Referrals

- ☐ SRC
- ☐ SJC
- ☐ SFC

Senate Floor Action

- ☐ Passed
- ☐ Failed

House Committee Referrals

☐

House Floor Action

- ☐ Passed
- ☐ Failed

Concurrence

- ☐ Yes
- ☐ No

Governor Action

- ☐ Signed
- ☐ Vetoed
- ☐ Pocket Veto