



**MINUTES
of the
THREE-HUNDRED-SEVENTY-THIRD MEETING
of the
LEGISLATIVE COUNCIL
August 28, 2017
Santa Fe**

The three-hundred-seventy-third meeting of the Legislative Council was called to order on Monday, August 28, 2017, at 10:15 a.m. in Room 307 of the State Capitol by Representative Brian Egolf, co-chair.

Present

Rep. Brian Egolf, Co-Chair
Sen. Mary Kay Papen, Co-Chair
Sen. Carlos R. Cisneros
Rep. Candy Spence Ezzell
Rep. Doreen Y. Gallegos
Rep. Roberto "Bobby" J. Gonzales
Sen. Stuart Ingle
Rep. Rod Montoya
Sen. William H. Payne
Sen. Clemente Sanchez
Sen. John Arthur Smith
Rep. Sheryl Williams Stapleton
Sen. James P. White
Sen. Peter Wirth

Special Advisory Members Present

Rep. Eliseo Lee Alcon
Rep. Deborah A. Armstrong
Rep. Kelly K. Fajardo
Sen. Ron Griggs
Rep. Jason C. Harper
Rep. Rick Little
Sen. Cisco McSorley
Sen. Steven P. Neville
Rep. Jane E. Powdrell-Culbert
Sen. William E. Sharer
Rep. Jim R. Trujillo

Absent

Rep. Zachary J. Cook
Rep. Nate Gentry

Special Advisory Members Absent

Sen. Pete Campos
Rep. Gail Chasey
Rep. Rebecca Dow
Sen. Daniel A. Ivey-Soto
Rep. Georgene Louis
Rep. Antonio Maestas
Sen. George K. Munoz
Sen. Michael Padilla
Sen. Cliff R. Pirtle
Rep. Debbie A. Rodella
Rep. Patricia Roybal Caballero
Sen. Benny Shendo, Jr.
Rep. Elizabeth "Liz" Thomson
Rep. Carl Trujillo

Staff

Raúl E. Burciaga, Director, Legislative Council Service (LCS)
Amy Chavez-Romero, Assistant Director for Drafting Services, LCS
Kathy Pacheco-Dofflemeyer, Assistant Director for Administration, LCS
John Yaeger, Assistant Director for Legislative Affairs, LCS
Jeret Fleetwood, Researcher, LCS

Committee Requests

Mr. Burciaga said that the Legislative Health and Human Services Committee had requested to meet outside of the State Capitol after September 30 for one of its meeting dates for its November 1 through 3 meeting, possibly at Santa Fe Community College.

On a motion made, seconded and unanimously approved, the council authorized a meeting location outside of the State Capitol for one of the meeting dates of the Legislative Health and Human Services Committee between November 1 and 3.

Senator McSorley noted that the Criminal Justice Reform Subcommittee had been made aware of a grant from the Council of State Governments West (CSG West) to help states reform their criminal justice sentencing structures, similar to the grant offered by The Pew Charitable Trusts. He noted that representatives from the Corrections Department had been invited to a conference in Washington, D.C., on the matter and that conference organizers were willing to invite members of the subcommittee, pending council approval.

Representative Egolf indicated that leadership and staff would follow up with CSG West on the matter.

Legislative Staff Compensation Update

Mr. Burciaga explained that, as authorized by the council, salary increases for permanent legislative staff members, funded through vacancy savings, were being phased in for all LCS employees. He noted that salary increases for the assistant directors for administrative services and legislative affairs, plus the word processing supervisor, had already been approved by the council and that other staff salary increases would follow.

In response to a question, Mr. Burciaga explained that, since salary increases were coming from savings in staff vacancies, the salary increases would not require any supplemental funding.

Litigation Update

Mr. Burciaga explained that a district court judge had ruled in favor of the Legislative Council in a case involving the Inspection of Public Records Act and that because the time for appeals had passed, the judge's ruling is final.

Mr. Burciaga also explained that another judge had ruled in favor of the Legislative Council in the case involving 10 bills that the governor returned to the legislature without objections to the bills, affirming that the 10 bills are laws without signature. He noted that the Legislative Council's attorneys would develop a draft order to be reviewed by attorneys for the governor and that after the order is signed by the judge, the governor would have 30 days to appeal.

Tax Study Update

Mr. Burciaga indicated that one of the bills passed during the May special legislative session appropriated \$400,000 for a study of New Mexico's tax system. He explained that a request for proposals (RFP) had been issued and that Ernst & Young had been selected among applicants to perform the study, which staff hoped would be completed in late 2017. Mr. Burciaga noted that staff from the LCS, the Legislative Finance Committee and various executive agencies planned to test the model produced by the study before making it available to members and the public.

In response to a question, Mr. Burciaga explained that, as a result of negotiations with the recipient of the contract, the study will focus on the gross receipts tax and the personal income tax, not the corporate income tax (CIT).

In response to additional questions, Mr. Burciaga explained that, in negotiating the contract, study of the CIT had not been included in the study, as its complexity and volatility jeopardized timely completion of the study.

The council also discussed other aspects of the study, such as the confidentiality of taxpayer data from the Taxation and Revenue Department, the minimal amount — less than one percent — of total revenue that the CIT comprises, testing of the model produced by the study and the timetable for completion of the study.

In response to a question, Mr. Burciaga clarified that since the CIT was initially included within the scope of the RFP issued for the tax study, a new RFP would not need to be issued in order to renegotiate the existing contract with Ernst & Young.

On a motion made, seconded and approved, the council authorized transfer of \$30,000 from the interim expenses account for renegotiation of the tax study contract to include study of the CIT, with Senator Ingle voting no.

Requests for Use of Chambers

Mr. Burciaga noted the following requests for use of the State Capitol chambers:

- a group of high school students and Representative James E. Smith requested use of both the house and senate chambers on September 6;
- a student leadership group requested use of the house chamber on September 22; and

- a Model United Nations group requested use of both chambers from November 15 through 17.

On a motion made, seconded and unanimously approved, use of the chambers was approved for all three groups.

Pre-Session Staff

On a motion made, seconded and unanimously approved, the council authorized hiring of core session staff by the house and senate chief clerks.

New Mexico Bioscience Authority Appointments

Mr. Burciaga explained that Senate Bill 478, passed during the 2017 regular session and signed by the governor, created the New Mexico Bioscience Authority, which requires the council to appoint four public members with experience in bioscience.

On a motion made, seconded and approved, the council appointed Brian Birk, Greg Burns, Suzanne Quillan and Stuart Rose to the New Mexico Bioscience Authority.

Staff Reports

Mr. Burciaga noted that repairs to both the Capitol Parking Facility and the roof of the State Capitol were proceeding as scheduled.

There being no further business, the council adjourned at 11:03 a.m.