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SENATE BILL 50

49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010

INTRODUCED BY

Eric G. Griego

AN ACT

RELATING TO TAXATION; CREATING THE TAX EXPENDITURE STUDY
COMMISSION; PROVIDING FOR ITS MEMBERSHIP AND DUTIES; MAKING AN
APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. TAX EXPENDITURE STUDY COMMISSION CREATED--
MEMBERSHIP--APPOINTMENT--DUTIES.--

A. The "tax expenditure study commission" is
created and shall function from the date of its appointment
until July 1, 2011.

B. The commission shall consist of seventeen
members appointed as follows:

(1) three members of the house of
representatives shall be appointed by the speaker of the house
of representatives, and three members of the senate shall be

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1 appointed by the president pro tempore of the senate. Members
2 shall be appointed from each house so as to give the two major
3 political parties in each house the same proportional
4 representation on the commission as prevails in each house;
5 provided, however, that in no event shall either party have
6 less than one member from each house on the commission; and

7 (2) eleven members shall be appointed by the
8 governor to represent a broad range of views and expertise on
9 taxation issues and shall include at least one member to
10 represent municipal governments and at least one member to
11 represent county governments.

12 C. Appointments to the commission shall be made no
13 later than twenty days after the effective date of this act.
14 The governor, in consultation with the speaker of the house of
15 representatives and the president pro tempore of the senate,
16 shall appoint a chair from among the members of the commission
17 within fourteen days of the appointment of the commission. The
18 commission may elect such other officers as it deems necessary
19 to carry out its duties.

20 D. The commission shall meet at the call of the
21 chair as necessary to carry out its duties, but no less than
22 twice a month. The first meeting shall be held no later than
23 July 1, 2010.

24 E. Three absences from meetings of the commission
25 shall constitute grounds for removal of a member of the

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1 commission. Upon the request of the chair of the commission,
2 the appointing authority shall replace the member who has
3 failed to attend three meetings of the commission.

4 F. A majority of the members appointed constitutes
5 a quorum for the transaction of business. The support of a
6 majority of the members appointed is required for adoption of
7 any action by the commission; provided, however, that the final
8 report of the commission, including its recommendations and
9 proposed legislation, must have the support of a majority of
10 the legislative members.

11 G. The commission shall prepare a report of its
12 findings on the cost and benefit of each tax expenditure
13 authorized by New Mexico law and submit the report, including
14 specific recommendations and proposed legislation, to the
15 governor and the New Mexico legislative council no later than
16 July 1, 2011.

17 H. The report shall include the following
18 information for each tax expenditure for calendar years 2009
19 and 2010:

20 (1) the total amount of each tax expenditure
21 or public revenue foregone or the current value or other
22 approximate value of each tax benefit received by taxpayers in
23 each calendar year;

24 (2) the aggregate number of taxpayers
25 benefiting from each tax expenditure and, where practicable and

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1 permitted by law, the amounts or values of the benefit to each
2 taxpayer;

3 (3) the location of taxpayers and benefit
4 amounts and values aggregated by municipality and county;

5 (4) the number of new jobs created or new
6 employees hired by each taxpayer as a result of each tax
7 expenditure and, for each new job or employee, the employee's
8 wage or salary, gender and state of residence immediately prior
9 to employment; and

10 (5) any other information deemed by the
11 commission to be useful to understanding a tax expenditure.

12 I. The commission shall hire or contract for
13 appropriate staff. Staff shall assist the commission as
14 directed by the chair, including conducting interviews with
15 parties that wish to express their views to the commission and
16 synthesizing this information for the commission. The
17 commission may request assistance from the legislative council
18 service, the taxation and revenue department and the economic
19 development department.

20 J. Members of the commission shall be reimbursed
21 for per diem and mileage expenses as provided for public
22 officers in the Per Diem and Mileage Act.

23 K. As used in this section:

24 (1) "tax expenditure" means a tax deduction,
25 an exemption, a rebate, a credit or an exclusion or a

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1 preferential tax rate or other special tax treatment; and
2 (2) "taxpayer" means an individual,
3 corporation, business entity or other person that is eligible
4 to receive or has received a tax expenditure.

5 Section 2. APPROPRIATION.--Two hundred thousand dollars
6 (\$200,000) is appropriated from the general fund to the
7 legislative council service for expenditure in fiscal years
8 2010 and 2011 to carry out the provisions of this act,
9 including staff salaries and reimbursement of the per diem and
10 mileage expenses of the tax expenditure study commission. Any
11 unexpended or unencumbered balance remaining at the end of
12 fiscal year 2011 shall revert to the general fund. Payments
13 from the appropriation shall be made upon vouchers signed by
14 the director of the legislative council service or the
15 director's authorized representative.