

SENATE RULES COMMITTEE SUBSTITUTE FOR  
SENATE BILL 502

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

AN ACT

RELATING TO TAXATION; CREATING THE BLUE RIBBON TAX REFORM  
COMMISSION; PROVIDING FOR ITS MEMBERSHIP AND DUTIES; MAKING AN  
APPROPRIATION; DECLARING AN EMERGENCY.

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

SECTION 1. BLUE RIBBON TAX REFORM COMMISSION CREATED--  
MEMBERSHIP--APPOINTMENT--DUTIES.--

A. The "blue ribbon tax reform commission" is  
created and shall function from the date of its appointment  
until November 1, 2013.

B. The commission shall consist of twenty-three  
members appointed as follows:

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

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1 appointed as follows:

2 (a) two members by the majority floor  
3 leader;

4 (b) two members by the minority floor  
5 leader; and

6 (c) one member by the president pro  
7 tempore of the senate. Members shall be appointed from each  
8 house so as to give the two major political parties in each  
9 house the same proportional representation on the commission as  
10 prevails in each house; however, in no event shall either party  
11 have less than one member from each house on the commission;

12 (2) one public member shall be appointed by  
13 the speaker of the house of representatives and one public  
14 member shall be appointed by the president pro tempore of the  
15 senate; and

16 (3) eleven public members shall be appointed  
17 by the governor to represent various geographic areas of New  
18 Mexico, a broad range of views and expertise on taxation  
19 issues; provided that these members shall include at least one  
20 member to represent municipal governments, at least one member  
21 to represent county governments and at least one member to  
22 represent Native American tribes, pueblos and nations. No more  
23 than five members appointed by the governor shall be of the  
24 same political party.

25 C. The commission may elect such officers as it

1 deems necessary to carry out its duties.

2 D. The commission shall meet at the call of the  
3 chair as necessary to carry out its duties, but no less than  
4 twice a month. The first meeting shall be held no later than  
5 May 1, 2013.

6 E. Three absences from meetings of the commission  
7 shall constitute grounds for removal of a public member of the  
8 commission. Upon the request of the chair of the commission,  
9 the appointing authority shall replace the public member who  
10 has failed to attend three meetings of the commission.

11 F. A majority of the members appointed constitutes  
12 a quorum for the transaction of business. The support of a  
13 majority of the members appointed is required for adoption of  
14 any action by the commission; provided, however, that the final  
15 report of the commission, including its recommendations and  
16 proposed legislation, must have the support of a majority of  
17 the legislative members.

18 G. The commission shall develop recommendations for  
19 reform of New Mexico's tax laws to establish a balanced tax  
20 system that provides maximum economic development benefits,  
21 maintains necessary government services at an appropriate level  
22 and recognizes the need for tribal governments to raise tax  
23 revenues from economic activity within the tribal boundaries.  
24 The commission shall examine New Mexico's tax system, identify  
25 its strengths and deficiencies and consider a broad range of

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1 improvements that could be made to modernize the tax system and  
2 make it more conducive to economic growth, including economic  
3 growth on lands subject to the jurisdiction of an Indian tribe,  
4 nation or pueblo located wholly or partly within New Mexico.  
5 The commission shall examine all tax expenditures approved and  
6 determine if any changes are necessary and the structure of any  
7 such changes. The commission shall submit a report of its  
8 findings, including specific recommendations and proposed  
9 legislation, to the governor and the New Mexico legislative  
10 council no later than November 1, 2013.

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

19 I. Members of the commission shall be entitled to  
20 receive per diem and mileage expenses as provided for public  
21 officers in the Per Diem and Mileage Act.

22 SECTION 2. APPROPRIATION.--Two hundred fifty thousand  
23 dollars (\$250,000) is appropriated from the general fund to the  
24 legislative council service for expenditure in fiscal years  
25 2013 and 2014 to carry out the provisions of this act,

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1 including staff salaries and reimbursement of per diem and  
 2 mileage expenses of the blue ribbon tax reform commission.  
 3 Payments from the appropriation shall be made upon vouchers  
 4 signed by the director of the legislative council service or  
 5 the director's authorized representative. Any unexpended or  
 6 unencumbered balance remaining at the end of fiscal year 2014  
 7 shall revert to the general fund.

8 SECTION 3. EMERGENCY.--It is necessary for the public  
 9 peace, health and safety that this act take effect immediately.