New Mexico Municipal League

2016 LEGISLATIVE PRIORITIES

Presented To:
Revenue Stabilization &
Tax Policy Committee
October 13, 2015

Mr. Chairman, members of the Committee, thank you for the opportunity to present the New Mexico Municipal League's priorities for the 2016 Legislative Session.

The League's Board of Directors on October 3, 2015 prioritized the issues for the upcoming Legislative Session. These issues are the result of Resolutions and Policies adopted by the membership at our Annual Business Meeting held September 3, 2015 in Albuquerque. Those Resolutions and Policies were developed by the League's Policy Committees and Resolutions Committee held earlier this past summer. Like the Legislature, the NMML has interim committees. These committees are divided into subject areas: Community, Economic Development, Governmental Operations & Human Resources (CEDGOHR); Environment, Energy & Natural Resources (EENR); Finance, Intergovernmental Relations & Taxation (FIRT); Public Infrastructure & Communications (PIC); Public Safety (PS); and Resolutions.

The following issues are not in a priority order but rather a listing of the priorities set by the Board of Directors:

- **Amendments to the Hold Harmless Gross Receipts Distribution** – Support amendments to provide an additional supplemental distribution where the Local Option Hold Harmless Gross Receipts Tax does not generate enough revenue to equal the hold harmless distribution;

- **Administration of Local Government Gross Receipts Taxes** – Establish a local government unit within the Taxation and Revenue Department to handle the administration and distribution issues affecting cities and counties. This unit would be funded by the existing administrative fee already being charged to local governments;

- **Funding for Municipal Streets, Roads and Bridge** – Municipalities receive a distribution of 2 cents gasoline tax that is earmarked for streets, roads and bridges. That funding has not received an increase in almost 30 years. The League supports an increase in the municipal share of these taxes or the authority to levy a local option gasoline and special fuels tax;

- **Law Enforcement Protection Fund** – Support an increase in funding for law enforcement from the existing Law Enforcement Protection Fund. This Fund is from an existing insurance premium tax;

- **PERA Return to Work Provisions** – Municipalities are experiencing serious shortages in critical areas of our work forces. The League supports legislation that restores "return to work" provisions for law enforcement, fire service, EMS first responders, water and waste water operators, certified electric utility employees and correctional retirees;

- **Local Option Taxes and State Shared Revenues** – Support the continuation of the current distribution of State Shared Revenues and the authority for Local Option Taxes; and

- **Bond Issue for Libraries** – The League endorses the passage of a General Obligation Bond for the funding of Libraries.