

NMBA LEGISLATIVE REPORT

NEW MEXICO BANKERS ASSOCIATION
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The 2020 Legislature adjourned at noon on Thursday, February 20, having considered 403 House bills and 320 Senate bills. Legislators approved only 88 bills which have been sent to the Governor for her consideration.

Legislation that WAS approved by the Legislature includes:

- **Early Childhood Trust Fund (\$320 million).** The fund will make distributions beginning July 2022 for expanding pre-Kindergarten, home visits, and other programs to serve the state's young children and their families (HB 83).
- **Budget.** Under the final version of the budget beginning July 1, 2020, state spending would increase by \$536 million or 7.6% over this year's levels, with approximately one-third of that money earmarked for salary increases for teachers and state employees. The legislature increased the state's reserves to \$1.9 billion, or approximately 25 percent of the state's annual general fund spending (HB 2).
- **Solar.** A bill to reinstate the tax credit for homeowners who install solar panels. It offers a 10% income tax credit on cost of solar equipment and installation with a cap of \$6,000. The law sunsets in 8 years and is limited to \$8 million per year. (SB 29)
- **PERA.** A bill to set the Public Employees Retirement Association on a path to solvency. The pension system has currently \$6.6 billion in unfounded liabilities. The budget for next fiscal year contains a \$76 million one-time injection of cash for the PERA (SB 72).
- **Cannabis.** A bill to prohibit out-of-state residents from participating in the state's medical cannabis program (SB 139).

- **Insulin.** A bill to cap co-pays and out-of-state expenses for insulin at \$25 per prescription for a 30-day supply. In the last decade, the list prices of insulin has tripled. A quarter of adults with diabetes say the price has impacted their insulin use. To date, only two states, Colorado and Illinois, have enacted insulin price caps both at \$100 per month (HB 292).
- **Prescription Drugs.** A bill to authorize the New Mexico Department of Health to establish a program to import certain prescription drugs from Canada through a wholesaler for resale to New Mexico consumers (SB 1).
- **Census.** A bill to appropriate funds to achieve a complete count for the federal 2020 census. It is estimated that a 1% undercount of New Mexico's population in 2020 would result in a \$780 million loss of federal funds over a 10-year period (SB 4).
- **Lodgers' Tax.** A bill to allow local governments to collect the Lodgers' Tax after 30 days, if the premises rented are not the vendees' household or primary residence (HB 117).
- **Public Records.** A bill that will remove a requirement that the state must wait 180 days before publicly disclosing information pertaining to claims against the state government (SB 64).
- **Professional licensure.** A bill that provides that a person who is qualified for an occupational or professional license remains qualified regardless of citizenship or immigration status (SB 137).
- **Retirement.** A bill that creates the New Mexico Work and Save Act, which allows for a voluntary savings program for private sector and non-profit employees, as well as self-employed individuals, through a retirement savings plan purchased through a web-based marketplace established and maintained by a board established under the Act (HB 44).
- **Education.** The Legislature appropriated, on a one-time basis, funding for the Lottery scholarship program that will increase tuition coverage from 65 percent to 83 percent for all students that are eligible. The Legislature also created the Opportunity Scholarship program which will cover unmet tuition and fees for college students pursuing certificates and associate's degrees (HB 2).
- **Capital outlay.** The Legislature approved a \$528 million capital outlay package which includes 1,500 separate items for funding. The Legislature utilized its entire severance tax bonding capacity and also included \$137 million in general fund spending. The bill is 134 pages (SB 341).
- **GO Bonds.** The Legislature approved \$195 million in general obligation bonds for projects from general obligation bonds including funding for higher education, senior centers and libraries.

Legislation that was NOT approved by the Legislature includes:

- Elimination of the state income tax on Social Security;
- Legalization of the adult recreational use of cannabis;
- Foreclosure legislation;
- Liquor license reform;
- Omnibus state taxation reform package;
- Ban on hydraulic fracturing;
- Minimum wage revision;
- Conservatorship liability;
- Gross receipts tax deduction for broadband infrastructure;
- Expansion on telephone solicitation restrictions;
- Lowering the maximum APR on small loans;
- Increase in gasoline tax to combat climate change;
- Foreclosure prevention counseling;
- Eviction Prevention Act;
- Legislative term limits;
- Limitation on property tax valuations;
- Parental paid family and medical leave;
- Financial Abuse of Senior Citizens Task Force study;
- State bank study;
- Constitutional amendment to allow the state to tap into the Permanent Fund for early childhood education programs.
- Salaries for legislators. New Mexico is the only state in the U.S. that does not provide salaries for its legislators with Colorado paying the highest at \$40,242 per year.
- Blockchain Technology Task Force;
- Reorganization of Public Regulation Commission; and
- Election Code Reform

Key Session Dates:

- February 20: Session ended at noon
- March 11: Legislation not acted upon by governor is pocket vetoed.
- May 20: Effective date of legislation which is not a general appropriation bill or a bill carrying an emergency clause or other specified date

Bill Finder:

The New Mexico Bankers Association will prepare a weekly LEGISLATIVE REPORT throughout the 2020 Legislative Session. When a bill affecting our industry is first introduced, its pertinent provisions will be summarized. Thereafter, any further action taken on the bill will be reflected in subsequent reports. At any time you should desire a copy of a bill or additional information concerning any legislative matter, please direct your inquiry to the NMBA office at (505) 822-7900. To get copies of House and Senate bills online, go to <http://legis.state.nm.us> and then click on 'bill locator'. For a full text of the governor's "State of the State" address visit: <http://www.governor.state.nm.us>.



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Status of Senate Bills and Resolutions Previously Summarized in Volume I:

SB 49: Public Funds Investments (Rodriguez). Did not pass

SB 68: Social Security Taxation (Padilla). Did not pass

SB 81: Social Security Taxation (White). Did not pass

SB 102: Natural Resources (Neville). Did not pass

SB 104: Hydraulic Fracturing Permits (Sedillo Lopez). Did not pass

SB 115: Cannabis Regulation Act (Ortiz y Pino). Did not pass

Status of House Bills and Resolutions Previously Summarized in Volume I:

HB 29: Social Security Taxation (Brown). Did not pass

HB 77: Social Security Taxation (Ely). Did not pass

HB 82: Minimum Wage (Caballero). Did not pass

HB 83: Early Childhood Education Fund (Gallegos). Passed

HB 120: Public Funds Investments (Cook). Did not pass

HB 123: Conservatorship Liability (Ely). Did not pass

HB 130: Social Security Taxation (G. Armstrong). Did not pass

HJR 1: Permanent Funds for Early Childhood Education (Maestas). Did not pass

Status of Senate Bills and Resolutions Previously Summarized in Volume II:

SB 1: Wholesale Prescription Drug Importation (Papen). Passed

SB 3: Early Childhood Education (Smith). Did not pass

SB 12: Unemployment Compensation During Apprenticeship (Padilla). Did not pass

SB 17: Tax Deductions for Broadband Infrastructure (Padilla). Did not pass

SB 18: Renewable Energy Production Tax (Padilla). Did not pass

SB 24: Individual Development Account Act (Tallman). Did not pass

SB 30: Research Grant Closing Fund (Soules). Did not pass

SB 43: Oversight of the Regional Housing Authorities (Papen). Did not pass

SB 136: Public Investments (Campos). Passed

SM 8: Financial Abuse of Senior Citizens Task Force (Ortiz y Pino). Did not pass

Status of House Bills and Resolutions Previously Summarized in Volume II:

HB 24: Telecommunication Cramming and Slamming (Ruilobo). Did not pass

HB 26: Highway and Transportation Project Funds (Lundstrom). Did not pass

HB 27: Public Project Resolving Fund Projects (Lundstrom). Passed

HB 44: NM Work and Savings Act (Salazar). Passed

HB 48: Furnace Replacement Program Funding (Alcon). Did not pass

HB 57: Unemployment Compensation for Apprenticeships (Trujillo). Did not pass

HB 60: Differential Rate Investments (Stapleton). Did not pass

HB 78: Expand Phone Solicitation Restrictions (McQueen). Did not pass

HB 81: Lower Small Loan APR Rate (Roybal Caballero). Did not pass

HB 82: Increase Minimum Wage (Roybal Caballero). Did not pass

HB 93: Efficient Use of Energy Act Changes (McQueen). Passed

HB 94: Capital Outlay Reporting (McQueen). Did not pass

HB 99: Renewable Energy Investment Policy Funding (Sanchez). Did not pass

HB 117: Lodgers' Tax Act (Brown). Passed

HB 118: Designation as Benefit Corporation (Cook). Passed

HB 146: Expand Biomass Income Tax Credit (Martinez). Passed

HB 169: Medical Cannabis Water Utilization (Chandler). Did not pass

HB 173: Gas Taxation Increase (McQueen). Did not pass

Status of Senate Bills and Resolutions, Previously Summarized in Volume III:

SB 63: Tenancy Tax Act (Munoz). Did not pass

SB 68: Social Security Income Tax Exemptions (Padilla). Did not pass

SB 72: PERA Solvency (Munoz). Passed

SB 81: Exempting Social Security from Income Tax (White). Did not pass

SB 116: Enable Taxation and Revenue Department to Share Data for Tax Programs (Shendo). Passed

SB 118: Local and Regional Economic Development Support Fund (Munoz).
Passed

SB 119: Lodgers Tax (Munoz). Did not pass

SB 120: Expand Allowed County Treasurers' Investments (Candelaria). Did not pass

SB 136: Investment in NM Funds and Businesses (Campos). Passed

SB 139: Medical Marijuana "Qualified Patient" (Ortiz y Pino). Passed

SB 148: Water Trust Fund (Cervantes). Did not pass

SB 150: Low-Income Emergency and Minor Home Repairs (Gonzales). Did not pass

SB 153: Low-Income Residential Energy Conservation (Martinez). Did not pass

SB 162: Foreclosure Prevention Counseling (Ortiz y Pino). Did not pass

SB 170: Social Security Income Tax Exemption (Campos). Did not pass

SB 184: Investment Credit Act Changes (Sapien). Did not pass

SB 194: Agricultural Products Promotion (Lopez). Did not pass

SB 256: Income Tax “Manufacturing” Definition (Sanchez). Did not pass

SB 257: Eviction Prevention Act (Ortiz y Pino). Did not pass

SB 259: Escrow Company Surety Bonds (Pirtle). Did not pass

SB 271: Tribe and Pueblo Medical Marijuana Agreements (Shendo). Did not pass

SJR 5: Legislative Term Limits (Griggs). Did not pass

SJR 8: Property Tax Changes (Lopez). Did not pass

Status of House Bills and Resolutions Previously Summarized in Volume III:

HB 64: Pleadings Pertaining to Construction Claims (Ely). Did not pass

HB 91: Limit Property Tax Valuation Increases (McQueen). Did not pass

HB 175: Historically Underutilized Businesses (Maestas). Did not pass

HB 181: Regional Retail Economic Development Projects (McQueen). Did not pass

HB 196: Public Contracts and Minimum Wage (Dow). Did not pass

HB 202: Enforcement of Certain Liens (Powdrell-Culbert). Did not pass

HB 214: Regulation of Finished Hemp Product Sales (Lente). Did not pass

HB 223: Agricultural and Natural Resources Trust Act (Small). Did not pass

HB 225: Kiki Saavedra Dignity Fund (Armstrong). Passed

HB 245: Homeowners Association Credit Requirements (Bash). Did not pass

HB 256: Construction Industries “Contractor” (Lente). Did not pass

HB 259: Homeowner Association Foreclosures (Stapleton). Did not pass

HB 264: Public Private Partnership Act (Sanchez). Did not pass

HB 271: Capital Improvements Gaming Tax Credit (Ruiloba). Did not pass

HB 285: Adjoining Properties for Rezoning (Rehm). Did not pass

HB 293: NMED Greenhouse Gas Evaluations (McQueen). Did not pass

HB 303: Renewable Energy Project Financing (Rubio). Did not pass

HB 325: Criminal Records Considered for Employment (Romero). Did not pass

HB 332: Liquor License Dispenser’s License (Maestas). Did not pass

HB 333: Study Parental Paid Family and Medical Leave (Chandler). Did not pass

HB 334: Cannabis Research Act (Martinez). Did not pass

HJR 5: Limit Expenditures and Tax Increases (R. Montoya). Did not pass

HM 10: Financial Abuse of Senior Citizens (D. Armstrong). Did not pass

Status of Senate Bills and Resolutions Previously Summarized in Volume IV:

SB 272: Permanent Daylight Savings Time Compact (Pirtle). Did not pass

SB 273: Agriculture and Natural Resource Trustee Act (Neville). Did not pass

SB 274: Top Income Tax Bracket Changes (Sanchez). Did not pass

SB 276: Medical Cannabis In Schools (Sedillo Lopez). Did not pass

SB 278: Alternative Fuel Acquisition Loan Fund (Gonzales). Did not pass

SB 281: PRC Election and Changes (Neville). Did not pass

SJM 9: Blockchain Technology Task Force (Ortiz y Pino). Did not pass

Status of House Bills and Resolutions Previously Summarized in Volume IV:

HB 335: Public Agency Fees for Opinions (Dow). Did not pass

HB 341: Transfer of Reserve Funds (Lundstrom). Passed

HB 347: Renewable Portfolio Standard Changes (Montoya). Did not pass

HB 350: Change Presidential Primary Date (J. Martinez). Did not pass

HB 351: Attorney General Non-Employee Counsel (Montoya). Did not pass

HB 360: Education Degree Loan Repayment (D. Gallegos). Did not pass

