

56th Legislature, Second Session

Monday, January 29, 2024

Day Thirteen

# Welcome to the Legislative Roundup, your update on the most important news from the Legislature



# \$10.18 Billion Budget Heads To House Floor

The House Appropriations and Finance Committee sent the fiscal 2025 General Fund budget to the House floor, where we expect the bill to be taken up as soon as tomorrow. Here are some budget highlights:

- The budget represents a 6.5% increase over FY 24. Reserves are 32% of recurring appropriations; \$4.43 billion goes to public education.
- \$200 million is available for tax changes (the governor recommended \$500 million). In reality, don't expect any big changes for this amount of money no rebates, no reduction of gross-receipt tax rates. This is enough money to do some smaller things such as adjusting personal income tax brackets, eliminating some GRT pyramiding, that magnitude of change. In our view, with more than three billion in so-called "new money," it's really a shame so little is being given back to taxpayers in a form that would not only benefit individuals but would make our home-grown New Mexico businesses more competitive (such as lowering the GRT rate). Not only is this a small amount for tax relief, but everywhere we look there are proposals to raise taxes on the oil and gas industry and the alcohol beverage industry (see article below).

- \$150 million for heavy maintenance and infrastructure to the Department of Transportation.
- \$100 million for career technical education.
- \$15 million for medical professional loan repayment.
- \$10 million for graduate STEM scholarships.
- \$60 million for workforce training and apprenticeships at comprehensive community colleges.
- Opportunity scholarships fully funded and endowment fund established to support scholarships in the future.
- \$13.5 million for LEDA (\$13 million for fund and \$.5 million for site readiness).
- \$175 million to expand the Opportunity Enterprise Fund.
- \$1 million for tourism cooperative marketing and advertising as well as the travel trade program.
- \$16 million for national tourism advertising.
- Various increases are made to enhance early childhood services.
- \$63 million increase for Medicaid provider reimbursements. Total state and federal funds for the Health Care Authority = \$12 billion, mostly to support Medicaid.
- 4% salary increase for state employees: 2% across the board and 2% for attraction and retention.
- \$200 million for the Government Accountability Trust Fund, a new program to evaluate the success of pilot programs before baking them into base budgets.

Once approved by the House, HB 2 will then be sent to the Senate Finance Committee that will make additions, subtractions and other changes. After approval by the Senate with its amendments attached, the bill will be returned for the House to concur with the Senate amendments. If concurrence is granted, the bill goes to the governor. If nonconcurrence is the outcome, a conference committee is appointed to work out the differences. Both chambers must agree on the identical same version of the bill before it can be sent to the governor. More on this later, if we get to that point.



"The camel is a racehorse designed by a committee."
- Arabic Proverb

### State School Board Is No Fix - Call To Action

There are some things that deserve to come back in style – but a failed system of political-based bureaucratic governance isn't one of them, especially when our children's education depends on a system that delivers accountability. There's a solid reason New Mexico moved from a statewide Board of Education to a centralized Department of Public Education in 2003 – lawmakers, and then voters, determined it was time to have someone answer for our public schools, and to have the buck stop with a secretary of education and the governor rather than more than a dozen politicians elected in a low-information race.

And, yet, our public schools continue to underperform and underdeliver. Bringing back a failed system of governance won't change it. Senate Joint Resolution 9, sponsored by Sens. Steven P. Neville (R-San Juan), William P. Soules (D-Doña Ana) and Mimi Stewart (D-Bernalillo), proposes to do just that - resurrect the old Board of Education. NewMexicoKidsCan is asking for all of us that think this is a bad idea to ask our state senator to oppose SJR 9 - this proposed constitutional amendment will be on the Senate floor TOMORROW for a vote. Follow this link for an easy way to contact your senator.



### **Tougher Penalties for Felons with a Gun Tabled**

An important public safety bill, HB 198, sponsored by Dayan Hochman-Vigil (D-Bernalillo) that would have increased penalties for felons found in possession of a firearm was tabled, after virtually no discussion, by the House Consumer and Public Affairs Committee on Saturday. None of the Republican members of the committee were present to vote on the bill, and it was tabled along a party-line vote with all Democrats present voting to table. Those voting to table were Chair Joanne Ferrary (D-Doña Ana), Angelica Rubio (D-Doña Ana), John Block (D-Otero) and Liz Thompson (D-Bernalillo).

If this is the fate of a bill sponsored by a Democrat, we hold out little hope for a very similar bill, HB 46, sponsored by Republican Rep. Bill Rehm (R-Bernalillo), which is scheduled to be heard by this same committee tomorrow. Knowledge of how these bills would be treated by the committee may be the reason Republicans decided to boycott the meeting. We'll see how this all plays out.

HB 198 would have increased the penalty from a third- to second-degree felony for a felon being found in possession of a firearm and would have increased the sentencing requirement from six to 12 years. In addition, the bill would have ensured that someone convicted under the provisions of the bill would not be eligible for meritorious deductions. In our view, this bill is plain common sense, and it's unfathomable how the committee could give this legislation such short shrift.

Only the Chamber and the State Police were in committee to support the bill. Chamber lobbyist J.D. Bullington testified:

"There's a time and place to say, 'Enough is enough'. We suggest this is one of those times, a time to acknowledge that there are bad guys that simply need to be confined for as long as possible for the protection of the public. It's simply the right thing to do. We know that the bulk of crime is committed by repeat felons, who are often arrested over and over and over by police officers and, what's more, they are routinely arrested in possession of firearms." This viewpoint is backed by the State Police. They report that the people they arrest over and over and over for crimes are felons with guns. Indeed, enough!

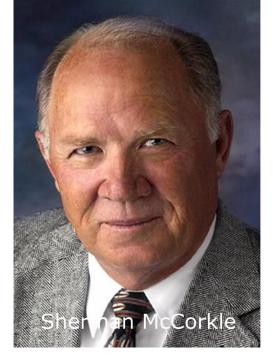


## **Massive Alcohol Tax Increase Endorsed**

"Whatever you tax, you get less of," a simple but profound observation made by former Federal Reserve Chair and Ph.D economist Alan Greenspan. So, it seems to be one of the key objectives of HB 179, sponsored by Rep. Joanne Ferrary (D-Doña Ana) and Sen. Antoinette Sedillo Lopez (D-Bernalillo). Here's what we mean by massive (taken from Legislative Finance Committee's fiscal impact report):

Туре	Current	New	Percent Increase
Beer	\$0.41 per gallon	\$3.08 per gallon	651%
Wine	\$0.45 per liter	\$2.14 per liter	376%
Spirits	\$1.6 per liter	\$7.24 per liter	353%
Cider	\$0.41 per gallon	\$3.08 per gallon	651%
Fortified wine	\$1.5 per liter	\$3.92 per liter	161%

The FIR estimates that, on average, consumption would be reduced about 5% (amount differs by type of beverage). If enacted, HB 179 would increase state revenues from \$200-250 million per year, diverting all of the alcohol tax money to a newly created Alcohol Harms Alleviation Fund. The general fund would no longer receive any of these tax revenues. How the money would be used is loosely defined in the bill but is intended to address alcohol abuse and prevention from a vet-to-be-established office somewhere in the executive branch.



Sherman McCorkle testified in opposition to HB 179 on behalf of the Chamber.

We won't dispute that our state has a drinking problem. According to the Albuquerque Journal, alcohol was a factor in nearly a quarter of New Mexico's road deaths 2022 - but simply ratcheting up a tax isn't the answer to combating alcohol abuse... it needlessly punishes very responsible adults... and it would harm local economies, especially the hospitality industry.

Because, while it's less clear that this tax proceeds will support evidence-based programming to address alcohol-related harms, this bill will all but ensure that many New Mexico's distinctive local breweries, wineries and distilleries dry up completely. The bill would raise the alcohol excise tax by as much as 650% over the current level and index future alcohol tax increases to inflation.

And make no mistake: these attempts to make alcohol a cost-prohibitive luxury won't deter anyone. Casual shoppers will turn to online retailers, and the truly determined will cross borders to build their own personal stores.

Last but not least, given the historic revenues our state is in the midst of collecting, we really shouldn't even be considering tax increases. If alcohol harms are truly a priority, and if we believe in the programs this proposed tax would fund, we should find the means to support them, right here and right now, without a bill that would hurt business. We strongly encourage the committee to vote down this extreme tax.

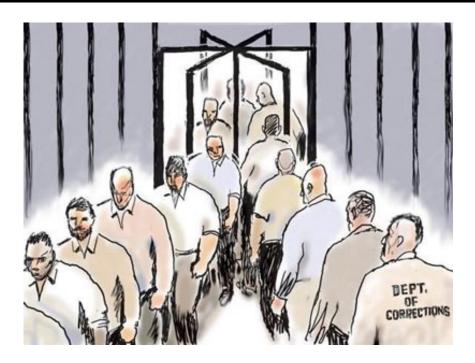
The legislation was also opposed by the alcohol industry, the restaurant association and convenience store operators.

# Right Problem Definition BUT Wrong Solution

As McCorkle pointed out, we all know there's a terrible problem. However, taking a plunge off the

high board into the deep end probably isn't the best approach. Currently, the state raises about \$50 million from alcohol taxes. However, one half of that amount goes to treatment and prevention. The other half goes to the general fund. Given over \$3 billion in "new money" and a \$10.2 billion budget, all of the \$50 million could easily be moved, doubling available funds and putting a miniscule \$25 million micro dent in the general fund budget. That would be a good start - ramp up and evaluate. Then, let's see what more needs to be done. Proponents of the legislation estimate that the statewide need for prevention and treatment is \$300 million annually. For sake of argument, even if that's accurate, given already severe staffing shortages in state and local government operations, how in the world could programs accelerated by this huge amount be effective?

The FIR also points out that increases of this magnitude would place New Mexico at the top of all states in taxation of alcohol. Arizona, Colorado and Texas all have much lower taxation rights. Stand by for a run to the borders and a robust black market. While we are supportive of enhanced treatment and prevention, this bill is simply a bridge too far. The bill next heads to the House Taxation and Revenue Committee.



### **Senate Committee Kills Pretrial Detention**

And so the revolving door will continue to spin. On a vote of 5-4 the Senate Health and Public Affairs Committee voted to table Senate Bill 122, the governor's bill to establish a rebuttable presumption that violent felons accused of yet another violent felony should be kept in jail pending trial as they pose a danger to the public. The bill is sponsored by Senate Republican Whip Craig Brandt (R-Sandoval). Under the terms of the bill, prosecution must present clear and convincing evidence the accused committed the new crime now alleged. The bill is about determining danger to the public, not about innocence or guilt.

Bernalillo County District Attorney Sam Bregman served as Brandt's expert witness and spoke strongly in favor of the legislation. Bregman pointed out that of the 1,088 motions to detain a defendant, judges granted detention only 60% of the time. "I absolutely believe that all of them should have been held," he stated. Bregman observed that this bill proposes to implement essentially the same system used by the federal government, and it is his belief that SB 122 would be found constitutional under the New Mexico constitution if brought before the Supreme Court. "You don't hear about the feds letting violent criminals out. They don't get out. I truly believe this is for the safety of our community," Bregman added.

Also supporting the bill were the State Police and the Department of Public Safety. J.D. Bullington expressed the Chamber's longstanding support for pretrial detention:

Every day in our state, violent criminals commit serious crimes. If they happen to get arrested, they usually face no immediate consequences. In the Albuquerque area, prosecutors move to

detain defendants in just 16% of felony cases... and yet, even among those most serious cases, judges release half of them pretrial.

Our justice system turns criminals right back to our streets... a quarter of the time, they ignore court hearings...warrants pile up... justice is delayed... and if a trial does happen, it could easily be a year and a half away. In the meantime, twice a day, police arrest someone who has been released pre-trial for committing a new crime. Twice a day!... and those are just the ones being caught. Countless more are committing crime after crime and just haven't been caught yet.

The policy of pretrial release is creating new victims daily.

This is not a system that's working. And it is the responsibility of the Legislature to fix it. That starts with appreciating the gravity of the charges filed against a person...and if it's a serious or violent crime, presuming that the person is dangerous enough not to be released.

Over the last few sessions, the Legislature has consistently nixed establishing pretrial detention and, unfortunately, we don't see this Legislature, with its inclination to support the viewpoints of criminal defense attorneys and public defenders, ever passing this kind of law. Sens. Greg Nibert (R-Chaves) and Ron Griggs (R-Doña Ana, Eddy and Otero) are sponsoring SJR 11 that proposes to amend the 2016 constitutional amendment that started this whole problem to ensure that pretrial detention is required under specific circumstances. Likewise, this measure is likely to face tough sledding, but it would most certainly get at the root cause of the problem. The background article below may shed some additional light on this subject for you.

### **Governor Is Not Amused**



Gov. Michelle Lujan Grisham

Following tabling of SB 122, the governor issued the following statement:

"I am dismayed that our Legislature has once again refused to undertake an honest, robust debate on the state of our pretrial release system. Crime is out of control, and something needs to change. We have invested hundreds of millions of dollars in behavioral health services, education, economic opportunity – critical components that ensure every New Mexican gets a fair shake. However, I will not stand by as repeat violent offenders walk in and out of our courthouses without consequence.

"A rebuttable presumption is not an extreme policy, and ours is modeled after federal law that has been in place for decades.

"It is time for the Legislature and the public to stand up and give this proposal the robust debate that New Mexicans agree it deserves."

Amen.

### **Pretrial Detention - Some Background**

### SPOTLIGHT: THE PRE-TRIAL RELEASE PROBLEM

In New Mexico, most offenders are now released back into the community pre-trial — even those with numerous past arrests and those who have been arrested for serious crimes like robbery, assault, and murder. This needs to change. The Chamber continues to call for a change to state law that would presume those arrested for serious crimes (and repeat offenders) are a danger to the community and should be detained.



### REVOLVING DOOR

14 times per week police in Bernalillo County arrest a released defendant

for committing a new crime



### HISTICE DELAYED

### Nearly 1 in 4

released defendants don't show up for court hearings, delaying justice and making things harder for police and victims



### VIOLENT CRIME

- Every other day, a released defendant is arrested
- in Bernalillo County for committing
- a new violent crime

We have now seen legislation to establish a rebuttable presumption that violent offenders should be held in jail pending trial for a recently committed crime go down in two committees, a tragedy in our minds. Here is some background information that helps put this issue in context and supports our great disappointment in the Legislature's deference to public defenders and criminal defense attorneys. Our statistics may be a little dated - we're pleased to note that there's been some increase in courts approving pretrial detention motions filed by the district attorney following modifications to court guidelines regarding detention and release. These modifications were made as the result of a February State Supreme Court order aimed at keeping dangerous bad guys in jail pending trial.

In the opinion, the Supreme Court stated the district court "abused its discretion" in releasing a defendant accused of first-degree murder when prosecutors had satisfied their burden to prove there were no conditions of release that could protect the community. The justices concluded judges should instead do their best to look at the full picture and consider "any fact relevant to the nature and seriousness of the danger to any person or the community" if the defendant were to be released, including the charges, the defendant's history, the weight of the evidence against the defendant, the likelihood the defendant could commit new crimes if released, whether the defendant has been ordered to be detained before and risk assessment information. All of these criteria are currently in law, but the court also specifically states in its opinion that judges must consider a defendant's "pattern of compliance and the possible consequences of noncompliance" as they decide on release conditions. In other words, "the district court should take a holistic, common-sense approach," the opinion said.

Nevertheless, the revolving door of catch-and-release criminals continues to spin at an unacceptably high velocity.

The need for pretrial detention is supported by many in law enforcement and local government. Albuquerque City Councilor Dan Champine sponsored a resolution, unanimously adopted by the council, urging the Legislature and governor to reform pretrial detention. "There's no doubt that people in Albuquerque feel like crime is out of control, and they want their elected officials to do something about it," said Champine in the Albuquerque Journal. "I think we need to act at every level of government, starting with the state Legislature addressing catch and release." Multiple public opinion polls show an overwhelming majority of citizens support reforming pretrial detention laws to keep violent offenders locked up.



As part of our legislative agenda, the GACC states:

Change New Mexico law to presume that a person arrested for violent or other serious crimes is a danger to the public and should be held in jail prior to his/her trial, unless the defendant can convince the judge in the case that he/she would not, in fact, pose a threat to public safety if released. Covered crimes should include, at a minimum, serious violent offenses; felonies involving the use of a firearm; felonies involving great bodily harm; and felonies committed by repeat offenders or those on court- ordered supervision. Additionally, support reasonable improvements to the assessment tool used by judges to provide guidance on pre-trial release/detention decisions; the tool consistently underestimates the dangerousness of criminal defendants.

The main obstacles to passing a sensible pretrial detention bill have been criminal defense lawyers, the Office of the Public Defender and the Administrative Office of the Courts. In light of the recent decision by the Supreme Court, one would think they would have found the light switch and come in out of the dark. While the court decision is important, the law should be changed so it's an iron-clad responsibility of courts to protect the public from violent criminals unless it can absolutely be proven they pose zero threat to the public. That needs to be embedded in the law and not left to interpretation.

New Mexicans are sick and tired of being victimized by dangerous, violent defendants who shouldn't be on the streets in the first place. The knowledge that this happens all too frequently in our communities contributes to an atmosphere of fear and unease. We're disappointed that so far 2024 does not look like the year the governor finally gets her wish and signs a rebuttable presumption pretrial detention bill.



# PIT Reform That Helps All NM taxpayers

On Monday afternoon, the Chamber's Sherman McCorkle (chairman, CEO and co-founder of Sandia Science & Technology Park Development Corporation and our Legislative Session and Local Government Advocacy Chair), testified in the House Commerce and Economic

Development Committee in favor of House Bill 252, some much needed and long overdue reform to New Mexico's personal income tax system.

The bill is sponsored by Rep. Derrick Lente (D-Rio Arriba, Sandoval and San Juan) - who knows more than a thing or two about what works (and doesn't) in our tax system as chairman of the House Taxation and Revenue Committee. Its short title is Adjust Income Brackets. And the bill does just that, to the benefit of every single taxpayer in the state.

The bill creates six income brackets, with the lowest at 1.5 percent for incomes \$4,000 and less for married filing separately, \$5,500 and less for single filers, and \$8,000 and less for those married filing jointly. The top bracket would be 5.9 percent for incomes of \$157,500-plus for married filing separately, \$210,000-plus for single filers, and \$315,000-plus for married filing jointly.

Those who have watched the state budget grow from \$6 billion just a few years ago to over \$10 billion proposed this year, courtesy of the oil and gas boom as well as smart investments, have got to be wondering why average New Mexicans have yet to catch a break when it comes to state income taxes. One member of the committee pointed that out, asking why we still have a state income tax at all given the amount of cash rolling in.

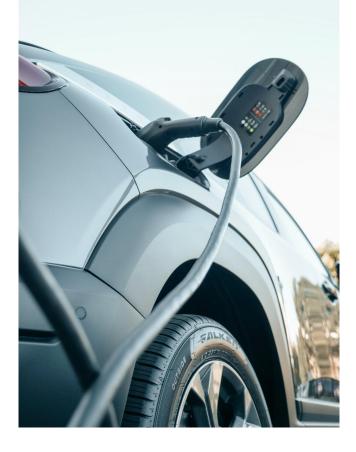
It's a fair question, though eliminating the state income tax is not on the table. Lente's bill is, and it delivers that break, providing savings to every taxpayer, especially those at the lower and middle levels of the income scale.

McCorkle testified that HB 252 will "provide a long overdue restructuring of the state's personal income tax rates and income brackets (and) decrease taxes for all taxpayers, with rate decreases targeted at the lowest income earners and the most savings realized by our beleaguered middle class. And the fiscal impact report shows taxpayers, and tax burdens, will be evenly distributed throughout the bracket structure."

McCorkle added "it's important to point out our PIT brackets haven't had real adjustment since 2008. And so taxpayers have gradually moved into higher tax brackets, known as 'bracket creep,' despite their 'real income,' or purchasing power, not changing. HB 252 can rectify that, helping to finally make sure our personal income tax system accurately and fairly reflects our taxpayers' incomes.

Lente pointed out his bill is the same as one that made it through both chambers and to the governor's desk, only to be vetoed. With more than \$10 billion in record revenue going to finance good causes in our state, it is past time to consider our taxpayers as good causes as well and deliver them personal income tax reform.

The entire committee room agreed: There was no testimony in opposition, and the bill got a well-deserved unanimous 11-0 Do Pass vote. It's headed to House Appropriations and Finance next, and we'll continue to vocally support it and keep you informed on its progress.



### **Clean Car Tax Credits Should Rev Up Sales**

House Bill 140, a bill from Gov. Michelle Lujan Grisham, was in the House Taxation and Revenue Committee on Monday morning. It's a perfect example of the kind of legislation the Chamber, the business community and the public really appreciate because it incentivizes positive change rather than forcing it through a mandate.

The Environment, Taxation and Revenue, and Energy, Minerals and Natural Resources departments - what sponsor Rep. Dayan Hochman-Vigil (D-Bernalillo) refers to as the "dream team" - all had representatives in the hearing to answer questions and support the bill.

HB 140 is also sponsored by Reps. Yanira Gurrola and Bill Tallman (both also D-Bernalillo) and is titled Clean Car Income and Corporate Income Tax Credits. It will create two new refundable personal and corporate income tax credits – one for electric or plug-in hybrid vehicle purchases in New Mexico and another to cover the cost of buying and installing an electric vehicle charging unit. Credits for vehicles – which can be new or used — range from a few hundred dollars up to \$3,000; charger credits can go up to \$25,000. And the vehicle credit is transferable to auto dealers at time of sale, meaning buyers can get "cash on the hood," i.e. credit toward the purchase price while they are buying.

As lobbyist J.D. Bullington testified on behalf of the Greater Albuquerque Chamber of Commerce, "that's a very nice carrot to encourage buyers to transition to an electric or hybrid vehicle. And the program will run for six years, giving consumers time to switch to a cleaner vehicle as it works with their budget." We'd also point out this credit steps down over its lifetime and completely sunsets in 2030.

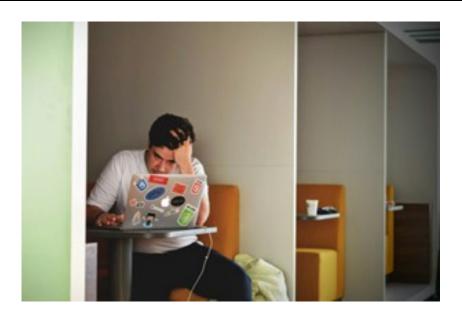
Those testifying in favor in person and online included an energy and environmental engineer, an EV driver, and representatives of Western Resource Advocates, Conservation Voters New Mexico, Prosperity Works, Advanced Energy United and New Mexico Voices for Children. A common theme in testimony was how the bill will put purchasing an EV or hybrid in financial reach of New Mexicans and allow charging infrastructure to be accessible across the state. Paul Gessing of the Rio Grande Foundation was the only testimony against HB 140; he said if passed the state will be "wasting precious resources" because "EVs are not ready for prime time."

The fact is EVs and charging stations are on the market, and New Mexico is committed under this administration to transition to zero emissions. Rep. Jason Harper (R-Sandoval) pointed out

lawmakers passed this bill last year only to have the governor line-item veto it, and said he's frustrated that now that it's "her idea" lawmakers are supposed to repeat their work. He also raised concerns the bill could "run away" with revenue without a reasonable cap in place. Rep. Christine Chandler (D-Los Alamos, Sandoval and Santa Fe) and others also voiced concerns the proposal did not adequately weight credits to better encourage low-income buyers. Rep. Cynthia Borrego (D-Bernalillo), who shared she helps her brothers, who are car dealers, bring vehicles to New Mexico, said she was puzzled why the credits are not transferable across state lines if we want to really encourage buyers and provide consumers with choice. Rep. Mark Duncan (R-San Juan) questioned what rural areas that lack sufficient electrical infrastructure get out of it. And committee Chairman Rep. Derrick Lente (D-Rio Arriba, Sandoval and San Juan), who has an EV, said the depreciation on new EVs is high and he questions if offering an incentive to buy new is a poor investment.

All good questions. The committee temporarily tabled the bill with the intent of placing it in a tax package, and the Chamber has confidence lawmakers can address many of these concerns and appreciates the bill's sponsors understand New Mexicans need time, options, and a little financial encouragement to make the choice to a cleaner-emissions vehicle.

We'll keep you up to date on what happens with this proposal.



# **Weak Grad Requirements Head to House Floor**

A bill that likely devalues New Mexico's high school diploma passed the House Education Committee on a unanimous Do Pass motion Monday.

House Bill 171, sponsored by House Education Chair Andrés Romero (D-Bernalillo), proposes to change high school graduation requirements by effectively reducing elective credits and requiring school districts and charter schools to set two credits of requirements of their own. The bill also mandates districts and charters create graduate profiles, or locally-informed goals for competencies students should have, and develop Next Step Plans to help students identify their goals and plan to reach them. Ultimately, sponsors said, the bill aims to increase student engagement – and fight chronic absenteeism – by giving students more flexibility in choosing courses that align with their life goals.

Creating more opportunities for school districts and charter schools to engage with their local community is a good thing. So is supporting students as they set life goals and make plans to reach them – helping young people find their way is the right thing to do, and it pays dividends for our communities when they're successful.

But this bill also removes a requirement that all students take Algebra II. Here's why that's a problem:

• Algebra II remains a basic prerequisite requirement for entrance at most higher education

- institutions. A student who wants to switch to a college-bound track in their senior year may not be able to complete the requirement for Algebra II in time, locking them into a pathway when they could have kept their options open.
- State assessments for high schoolers include the SAT which includes significant Algebra II content. In eliminating this requirement, are we setting our kids up for failure?
- "I've never used what I learned in Algebra II once in my day-to-day life!" In reality, we use
  critical thinking and reasoning skills we learn through different school subjects every day,
  without even realizing it. It's like football players doing bench presses: chances are, they'll
  never have to bench press on the field during a game, but the strength that exercise builds
  is critical.
- Students can already opt-out of Algebra II and choose a different course path.

Just as importantly, this bill doesn't have a requirement for a dedicated course in financial literacy. This omission is what the Chamber focused on in its comments to the committee today: "It's as necessary a skill for a student on a college track as it is for someone who will be learning a trade and might one day manage or run a business," said GACC Senior Vice President Sara Fitzgerald. "Debt can stifle a young person's dream. And basic, sound investing can begin to produce intergenerational wealth where there had been none previously."

Improving our state's student outcomes starts with honesty about where we are and the best ways to make meaningful progress. We need to be honest about the way these two missing requirements will negatively affect our students: downgrading Algebra II to an opt-in course will close doors to young people who may change their minds about the path they want to take, and not setting financial literacy as a requirement is depriving all of our students of valuable life skills.

It's not too late for these to be added back in, and we urge the Legislature to do so.

The bill passed with a non-substantive amendment on a unanimous 10-0 vote. HB 171 now goes to the House floor.



# **Get Teachers the Reading Tools They Need**

It's all too easy for those outside the classroom to say our teachers "just need to teach reading" and then expect results.

It's much harder for our teachers to do that – especially considering there hasn't been any funding deposited in the state reading materials fund for more than a decade.

Senate Bill 193, sponsored by career educator Sen. Mimi Stewart (D-Bernalillo) and presented Monday morning to the Senate Education Committee by career educator and committee Chairman Sen. Bill Soules (D-Dona Ana) because Stewart was in the Rules Committee at the

time, would transfer \$12.5 million from the general fund to the existing reading materials fund for vetted, proven reading materials. Soules explained the idea has been in the works for awhile with the Legislative Education Study Committee, and if there is any criticism it's that this long-overdue funding "is not enough."

In fact there was no criticism leveled at the proposal Monday morning. All testimony was soundly in favor of ensuring our teachers have appropriate, evidence-based material – including from NewMexicoKidsCAN, Voices for Children, the New Mexico Chamber of Commerce and two teachers who are TeachPlus fellows. (According to their website, the "Teach Plus Policy Fellowship is a highly selective, rigorous program for excellent teachers who want to deepen their knowledge, expand their influence, and lead in shaping education policy and advocacy.")

The first teacher who testified teaches first grade in Rio Rancho Public Schools, and she explained having the proper structured literacy curriculum and materials in place is "the only way to prepare teachers." The second, who teaches middle school, said she estimates 75 percent of her students are two grades behind and these materials will help her and her colleagues "hone in" on getting students up to grade level and "close gaps" in academic achievement.

The Chamber appreciates the challenges these front-line educators face, and the experience our citizen lawmakers who have been in the classroom bring to lawmaking and the discussion. We recognize that our public schools are on a mission to get our students to grade level, especially in reading, and a key to making that happen is ensuring our teachers have appropriate instructional materials – specifically for structured literacy. Chamber Executive Vice President for Policy and programs D'Val Westphal testified that "we have many great teachers, but we can't expect them to do their jobs to the fullest without the necessary tools. It is essential we ensure our teachers have the best materials available to get every New Mexico student reading at grade level."

SB 137 sailed to a Do Pass vote with zero questions from the Education Committee. It's headed to Senate Finance, where Sen. Stewart, who popped in at the end of the bill discussion, said "it's great to have all this comment" and this vocal support needs to now "go to Finance" as an appropriation is not in the budget yet.



# And School Boards the Training They Need

Education was also on tap early Monday in the Senate Rules Committee, where members debated Senate Bill 137, sponsored by veteran educators Sen. Mimi Stewart (D-Bernalillo) and Sen. Bill Soules (D-Dona Ana).

SB 137, short title "School Board Training," requires annual training for school board members on everything from district finances to setting academic goals to managing a superintendent. It also requires all school board candidates disclose campaign contributions over \$1,000, as well

as that school board meetings be webcast and archived.

The measure was developed by Santa Fe think tank Think New Mexico and is one of the group's signature pieces of legislation this session. Think New Mexico cites polls that show a vast majority of New Mexico voters support school board governance reforms and adds "research shows that school boards can positively impact student performance when they make that their core focus."

Stewart presented the bill to the committee, and explained it has come out of work on the Legislative Education Study Committee. She shared that she has also worked with "schools, staff, the Public Education Department" and others to craft a collaborative bill designed to support, not punish, those who step up to serve on our many school boards across the state.

In that vein, her testimony emphasis was solidly on ensuring school board members have the tools they need to do their jobs well, and on delivering "accountability and transparency" to the public by webcasting and archiving school board meetings.

No members of the public testified on the bill (Senate Rules requirements on advance sign-up and collaboration with bill sponsors make that a challenge), but Chamber President and CEO Terri Cole made sure to get this letter of support in front of committee members as discussion of SB 137 began:

Dear Senate Rules Committee,

Thank you so much for accepting this letter as testimony from the Greater Albuquerque Chamber of Commerce in strong support of Senate Bill 137.

SB 137 is a smart, and long overdue, measure to increase the training we give to our school board members and the transparency we require them to abide by.

Too often well-intentioned individuals run for school board positions, win, and then are underprepared to handle, and overwhelmed to deal with, the responsibilities put on their plate. That's frustrating for board members, and it shortchanges our students, parents and taxpayers.

SB 137 will ensure school board members will receive annual training on:

- 1. The board's finance, budgeting and fiduciary responsibilities (their No. 1 job)
- 2. Laws and policies affecting public schools
- 3. How to evaluate student academic achievement and use the data to set goals
- 4. How to best govern and support their superintendent.

This bill also requires all school board candidates to disclose campaign contributions. Forty-four states require all school board candidates to disclose their donors; it is time the majority of N.M.'s school boards join the state's five largest districts and let the public know who is financing their campaigns. And SB 137 also requires that all school board meetings – both charter and traditional public schools – are webcast and then archived so families and the public can stay informed.

SB 137 is about giving those folks who are willing to step up and serve on our school boards the support and training they need to do a great job, and providing the transparency required so parents and community members can be involved in the system.

The Chamber urges Senate Rules Committee members to support SB 137 and give it a Do Pass recommendation.

During questioning Sen. Cliff Pirtle (R-Chaves, Eddy and Otero), voiced the concern that making school board training mandatory rather than optional was too much ("if they think they need training they'll get it"), and other committee members including Sen. Mark Moores (R-Bernalillo) wanted to ensure small schools and districts had the technical funding and support required to webcast and archive their meetings. Stewart assured them they would through PED.

SB 137 is now headed to Senate Education, where it deserves a quick Do Pass vote to keep it moving to the governor's desk.



### **DWI Streamlining Bill Advances**

Sen. Daniel Ivey Soto (D-Bernalillo) has undertaken a herculean effort to streamline the state's DWI laws, which currently are a patchwork quilt scattered among several sections of existing law. The bill gained an 8-0 approval of the Senate Health and Public Affairs Committee, sending it along to the Senate Judiciary Committee. According to Ivey Soto, the impetus for the bill came from the Governor's Office this session, but he and others have been working on it for over two years.

The bill gained the support of the Department of Public Safety, the State Police, Bernalillo County and the Chamber. In one of the funnier lines of the session so far, the Chief Public Defender stood to testify on the bill and after an appropriate preamble to his remarks, announced that he has "enthusiastically and affirmatively taken no position." On the other hand, lobbyist J.D. Bullington expressed the Chamber's support, stating:

"And while (the bill) addresses the core issues of penalties, repeat violations, blood screening, license revocation and ignition interlocks, it also wisely provides for treatment if approved by the court, and counseling and treatment to those in custody. It also includes a penalty for driving under the influence with a teen minor in the vehicle, helping to protect our children. NMDOT says last year 37 percent of deadly crashes were alcohol-related. There's no telling how many were drug-related. But we do know it's a problem SB190 can help change."

We wish Ivey Soto the best of luck in the Senate Judiciary Committee, which is known to, let's just say, devote extraordinary scrutiny to legislation, especially one that's 92 pages long and recompiles multiple sections of existing law. *Vaya con Dios*, senator.



## **Around the Roundhouse**





# **Margaret Thatcher 2.0?**

Tensions ran a little high in Senate Rules this morning, as Chairwoman Katy M. Duhigg (D-Bernalillo and Sandoval) repeatedly reminded folks, including her colleagues, that they could speak on something but once, and in a reasonable amount of time.

The goal is ostensibly to keep the trains running on time, but late in the discussion when Sen. Cliff Pirtle (R-Chaves, Eddy and Otero) wanted another chance to ask Sen. Mimi Stewart (D-Bernalillo) a question on her Senate Bill 137 (School Board Training), Duhigg promptly shut him down, repeated that he had has his opportunity and the committee was moving on.

Pirtle quickly then called for a vote to table the bill, which failed along party lines with the committee's four Republicans in favor. Duhigg announced that result and then immediately went to the motion on the table for a Do Pass vote on SB 137. The bill prevailed 8-3, with Pirtle and fellow Republican Sens. Gregory A. Baca and Greg Nibert in the minority.

Pirtle had asked when he voiced his "no" to be able to explain his vote. He was allowed after the tally (with the caution from Duhigg they would be adjourning in two minutes), and said he only wanted a simple definition of what constituted a "new school board" but since Duhigg runs Rules with "an iron hand" he couldn't get an answer, so "the people of New Mexico thank you." Duhigg summarily adjourned the meeting and could be heard joking, "They're going to start calling me the Iron Lady."

### And That Wasn't the Last Word...

The rancor carried over to the Senate floor. Republican Whip Sen. Craig Brandt (R-Sandoval) complained about rules not being followed, especially when it comes down to debate in committees and the need for quorums. He commented "some committee chairs" are cutting off debate and that has never been the case in the Senate. It's important to thoroughly hash out things in committee, according to Brandt, or the hashing out will get done on the Senate floor. With regards to quorums, that's the problem of the majority since they hold a quorum on each committee.

Democratic Floor Leader Sen. Peter Wirth (D-Santa Fe) stressed the need for good communications between the committee chair and the ranking member. Wirth described the need for flexibility as different committees must operate in different ways, For example, the Senate Finance Committee couldn't get its work done if there had to be a quorum present at all times - subcommittee work is necessary. Sen. Mark Moores (R-Bernalillo) stressed the need for respect. "If you shut us up, we can melt the place, but that doesn't do anyone any good." Wirth proffered that respect was a two-way street.

Needless to say, there's a lot of frustration, and that's beginning to boil over on both sides of the aisle it appears. As Republican Floor Leader Sen. Greg Baca (R-Bernalillo and Valencia) noted, there is a lot of legislation being crammed into a 30-day session. Not everything will be heard. Undoubtedly, that's frustrating to some. For others, it may feel like the urge to attempt to hear everything isn't allowing time for sufficient debate and consideration.

### **N. Scott Momaday Passes**



The following is taken from today's Albuquerque Journal

N. Scott Momaday has died at age 89 after becoming a Pulitzer Prize-winning storyteller, poet,

educator and folklorist. Harper Collins says he died Wednesday at his home in New Mexico. His debut novel "House Made of Dawn" is credited as the start of contemporary Native American literature. It was published in 1968 and tells of a World War II soldier who struggles to fit back in at home. Much of it was based on Momaday's childhood in New Mexico and his conflicts between the ways of his ancestors and the outside world. He was born in Oklahoma and was a member of the Kiowa Nation.

# **Signing Off from Santa Fe**



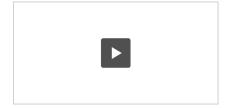
This week, the session will hit full stride. We're likely to see evening House floor sessions as bills are now ready for third reading (final action). The Senate often just carries its sessions well into the late afternoon, pushing committee meetings into the evening. As the days grow longer, so does the time we can deliver the Legislative Roundup to your inbox. The House will reconvene tomorrow at 11:15 a.m. and the Senate at 11 a.m. Until tomorrow, we thank you for joining us, and we wish you a very pleasant, good evening.

The Legislative Roundup, published during the New Mexico Legislative Session by the Greater Albuquerque Chamber of Commerce, provides information on local and state public policy and business issues that affect you.

For questions, please email D'Val Westphal at dwestphal@greaterabg.com.



Working to make our city and state a great place to start and grow a business and a safe, exciting place to work and raise a family.



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