

Legislative Update, Friday, March 17, 2017

Restore School District Cash Balances

Late in the day after nearly 2,000 Santa Fe Public School employees, students, and parents rallied at the State Capitol to demand “no more cuts” to public schools, the state senate passed an amended [bill, Senate Finance Committee Substitute for SB 462](#) to restore some \$46 million cut from public schools early in the legislative session. While this one-time infusion of money does not affect next year’s budget, it would restore the cash balances cut in solvency legislation and put public schools on a much sounder fiscal footing.

The bill provides a complicated transfer of capital outlay funds to the general fund to replace the \$46 million dollars. The measure received a do-pass recommendation from the House Taxation and Revenue Committee and is headed to the House Floor, either later tonight or tomorrow morning. Ask House members to support this important measure to stabilize school district finances!

[Follow this link to identify your House member and get contact information. Phone calls to their Santa Fe office are the only way to influence legislators at this late date.](#)

Budget and Revenue Bills to Governor

Early this afternoon the House sent the budget, [House Bill 2](#), and a revenue package, [HB 202](#), to the Governor. Since the legislature has less than 24 hours before adjournment, the Governor has 20 days to consider the measures. She could veto the entire package or pick and choose which parts to sign by exercising her link-item veto power. The tax bill would raise additional revenue for the state by raising tax rates or eliminating exemptions for commercial trucks, online sales and certain hospitals. It would also increase New Mexico’s gasoline tax rate by 10 cents per gallon — from 17 cents to 27 cents — and temporarily delay a scheduled cut in the state’s corporate income tax rate.

Without the tax increases, spending levels in the budget bill would end up being about \$164 million more than expected revenue.

The budget would keep state spending levels largely flat for the fiscal year that starts in July, but would increase spending on **K-12 public schools and the judicial system.**

Call the Governor and ask her to sign the budget and the tax package: [Governor Susana Martinez](#): (505) 476-2200

Veto Override Fails

Late Friday afternoon, the House failed in its attempt to override the Governor's veto of the so-called "[Teachers are Human, Too](#)" [Legislation, House Bill 241](#). [Representative Christine Trujillo](#) made the motion to override the veto and spoke passionately for the override. Many Democratic members spoke eloquently for the override. Only one Republican participated in the debate, [Representative James Smith](#), who echoed the Governor's sentiments and spoke against the override.

One Republican and two Democrats were excused from the floor: Masestas-Barns (R), Jim Trujillo, recovering from heart surgery (D), and Carl Trujillo(D). Otherwise all Democrats supported teachers and the override and all Republicans supported the Governor and her punitive agenda against teachers!

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