

Legislative Liaison Report 05-21

New Mexico 2021 Legislative Session

The New Mexico 2021 Regular Legislative Session ended at noon on March 20. The governor called a special session on March 30 to address the legalization of recreational marijuana. The Capitol is still closed to the public.

The list of legislation for 2021 Regular Session that could have affected military members, veterans, retirees and surviving spouses was fairly extensive. However, very little legislation was passed that benefited our military members and veterans.

Exemption for Military Retirement Pay The annual effort to gain an exemption for military retirement pay from NM personal income tax made no further headway this session. Senate Bill 377, which was a budget bill as an add-on to House Bill 2, General Appropriations Act of 2021, contained an appropriation of \$100,000 to the Taxation and Revenue Department to study the effects of eliminating state income tax on military retirement pay. On April 9, the Governor exercised her line-item veto disallow this appropriation. The Governor's rationale was that this appropriation performed a study and would not achieve firm results. **New Mexico remains as one of six states that do tax military retirement pay.**

Passed Legislation

House Bill 31 amends the definition of sex crimes as it relates to the Code of Military Justice and applies only to military members of the New Mexico National Guard and was signed by the Governor.

House Bill 120 extends the expedited licensure process for military members, spouses and families for a substitute teacher certificate and was signed by the Governor.

Senate Bill 272 requires school districts to allow military families to enroll children prior to arriving at their military assignment in New Mexico and was signed by the Governor.

Failed Legislation

The proposed NM constitutional amendments to increase veterans' exemption and veterans' disability exemption to property tax.

Social Security exemption from NM personal income tax. The cognizant tax committees in the House and the Senate did not hear any of the four proposed bills.

House Bill 113 (HB 113) would prohibit discrimination based on military or veteran status as defined in the New Mexico Human Rights Act. HB 113 passed the House 66-0 and died in Senate Judiciary Committee.

House Bill 174 (HB 174) proposed to double the exemption from New Mexico personal income tax for those over 65 or are blind. Currently, the exemption is limited to income less than \$25,500 for individuals and \$51,000 for heads of household, surviving spouses and married individuals filing jointly. HB 174 died in House Taxation and Revenue Committee.

House Bill 260 (HB 260) would have provided free passes to New Mexico State Parks to veterans and members of Gold Star families. HB 260 died in the Senate Finance Committee.

MOAA National Advocacy in Action 2021

Marvin Schott, Katie Fellure and Walter Paul will be participating in this year's annual advocacy event virtually. The campaign topics for the 2021 event are: (1) Comprehensive Toxic Exposure Reform, (2) Tricare Young Adult Parity, (3) Basic Needs Allowance. More information on these topics is available at <http://www.moaa.org/2021participants>. Another option is to log on to the MOAA website at moaa.org and click on advocacy and there will be a link to the Advocacy in Action page.