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FISCAL IMPACT REPORT

ORIGINAL DATE 3/18/15
SPONSOR Zimmerman **LAST UPDATED** 3/3/15 **HB** 327/aHGEIC/aHFI#1

SHORT TITLE National Guard Members and Family Assistance **SB** _____

ANALYST Chenier

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY15	FY16	FY17		
	Minimal Impact	Minimal Impact	Recurring	NM Guard Member Assistance

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		See Fiscal Implications	See Fiscal Implications	See Fiscal Implications	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Military Affairs (DMA)

SUMMARY

Synopsis of HFI Amendment #1

The House Floor amendment to House Bill 327 strikes non-reverting language for the suspense account for managing personal income tax contributions. Currently, the fund is non-reverting.

Synopsis of HGEIC Amendment

The House Government, Elections, and Indian Affairs Committee amendment to HB327 would declare an emergency and make it so that the provisions of the bill would take effect immediately upon full passage.

Synopsis of Original Bill

House Bill 327 would change Section 7-1-6.50 NMSA 1978 to allow New Mexico National Guard members and their families to receive assistance from personal income tax contributions (Section 7-2-30.3 NMSA 1978) when deployed overseas for more than thirty days. Currently, to receive assistance, activation for service in the “global war on terrorism” (GWOT) is required.

FISCAL IMPLICATIONS

DMA stated they were unable to estimate the increase in eligibility since overseas deployments are federal in nature and at the call of the president.

Since inception, only \$7,059 of the relief fund has been accessed or used as a result of the restrictive eligibility criteria. The contribution trend is as follows: FY11 \$7,599.80 – FY12 \$7,910.00 and FY13 \$8,953. The current balance in this fund is \$109.2 thousand.

SIGNIFICANT ISSUES

State Income Tax contributions would be limited only for designated “global war on terrorism” duty. Continuing with this eligibility requirement inadvertently restricts access to this fund for a large percentage of National Guard family members if there are additional “overseas” deployments. In 2012, the Department of Defense suspended use of the term GWOT. Overseas operational deployments since 2012 no longer use GWOT terminology and therefore overseas-deployed NMNG members are not eligible for accessing these relief funds if needed.

EC/je/aml/je