

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

HOUSE BILL 126

43RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1997

INTRODUCED BY

LEO C. WATCHMAN

FOR THE INDIAN AFFAIRS COMMITTEE

AN ACT

RELATING TO TAXATION; CREATING A DUAL TAXATION STUDY TASK FORCE;  
MAKING AN APPROPRIATION; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. DUAL TAXATION STUDY TASK FORCE CREATED. -- The "dual taxation study task force" is created. The task force shall function from the date of its creation until the first day of December prior to the first session of the forty-fourth legislature.

Section 2. MEMBERSHIP--PER DIEM AND MILEAGE-- OFFICERS. --

A. The dual taxation study task force shall be composed of eighteen voting members as follows:

- (1) six members appointed by the governor;
- (2) a representative appointed by the president of the Navajo nation;

Underscored material = new  
[bracketed material] = delete

1 (3) a representative appointed by the speaker  
2 of the Navajo nation council;

3 (4) a representative appointed by the Jicarilla  
4 Apache tribal council;

5 (5) a representative appointed by the Mescalero  
6 Apache tribal council;

7 (6) two representatives appointed by the all  
8 Indian pueblos council;

9 (7) two members of the house of representatives  
10 appointed by the speaker, one a Native American and one a member  
11 of the house taxation and revenue committee from the minority  
12 party after consultation with the minority floor leader;

13 (8) two members of the senate appointed by the  
14 president pro tempore, one a Native American and one a member of  
15 the senate ways and means committee from the minority party  
16 after consultation with the minority floor leader;

17 (9) the chairman of the house taxation and  
18 revenue committee or his designee from the committee; and

19 (10) the chairman of the senate ways and means  
20 committee or his designee from the committee.

21 Vacancies shall be filled by the original appointing  
22 authorities.

23 B. Members appointed by the governor who are not  
24 state agency representatives or who are appointed by an Indian  
25 nation, tribe or pueblo shall receive per diem and mileage

1 pursuant to the provisions of the Per Diem and Mileage Act and  
2 shall receive no other compensation, perquisite or allowance for  
3 authorized work performed as a member of the task force.

4 C. There shall be two co-chairmen appointed by the  
5 president pro tempore of the senate and the speaker of the house  
6 of representatives.

7 D. Staff for the task force shall be provided by the  
8 legislative council service.

9 Section 3. DUTIES.--The dual taxation study task force  
10 shall, to the extent reasonably possible:

11 A. conduct studies of state and tribal dual taxation  
12 in New Mexico, the laws governing dual taxation and the  
13 socioeconomic and fiscal impacts on the state and on Indian  
14 nations, tribes and pueblos located in the state;

15 B. identify the annual dollar amount of all state  
16 and tribal taxes received from business activities in Indian  
17 country, including the taxation on production, income and  
18 property from non-Indian owned businesses under contract with  
19 Indian nations, tribes or pueblos;

20 C. quantify in dollars the annual level of services  
21 and capital improvements provided by the state to each of the  
22 Indian nations, tribes or pueblos since 1957;

23 D. examine and quantify in dollars the economic  
24 costs and benefits of Indian country economies on the economy  
25 and budget of the state;

1           E. identify and quantify the amount of tax dollars  
2 paid by Indian people to the state other than severance taxes,  
3 including gross receipts tax; gasoline tax on purchases of fuel;  
4 income tax on income earned by Indian people earning from  
5 sources off their own tribal lands; excise taxes; license and  
6 vehicle registration fees; and any other tax that is paid by  
7 Indian people to the state;

8           F. identify and quantify the amount of tax dollars  
9 paid by non-Indian people to the state from a business or any  
10 economic activity in Indian country to the state;

11           G. identify and quantify the dollar amount paid by  
12 non-Indian people to governments of Indian nations, tribes or  
13 pueblos;

14           H. determine the impact of dual taxation on the  
15 production of energy resources in Indian country;

16           I. examine and quantify the costs and benefits of  
17 the state economy, population and off-reservation state services  
18 on Indian country economies;

19           J. determine if Indian nations, tribes or pueblos or  
20 the state are disadvantaged in attracting investment capital due  
21 to the presence of dual taxation;

22           K. determine if dual taxation makes development and  
23 growth of existing energy resource or other business markets for  
24 products from Indian country less competitive when compared with  
25 development of energy resources and other business markets for

Underscored material = new  
[bracketed material] = delete

1 products from non-Indian country within or without the state;

2 L. identify and evaluate alternative methods of  
3 approaching severance and other types of taxation, including  
4 property and income on lands both within the state and in Indian  
5 country, and determine the status of taxation by the state or  
6 Indian nations, tribes or pueblos where mineral, energy resource  
7 or other businesses are under development in Indian country;

8 M determine if there are feasible means of  
9 providing incentives to attract extractive or other industries  
10 and determine the use of state incentives by extractive and  
11 other industries in Indian country;

12 N. identify the roles that the state and Indian  
13 nations, tribes and pueblos should be playing in promoting  
14 development, production and marketing of extractive and other  
15 industries in Indian country;

16 O. determine and quantify in dollars the costs and  
17 benefits of having Indian communities in the state on state  
18 social and educational programs, including the input of federal  
19 dollars and the use of state programs by Indian people;

20 P. identify tax policies and procedures that can be  
21 implemented by the state and the Indian nations, tribes and  
22 pueblos to provide socioeconomic and fiscal benefits to those  
23 entities and areas of cooperation among those entities to  
24 facilitate the collection of taxes owed to those governments;

25 Q. develop proposals to be submitted to the Navajo

. 113501.2

Underscored material = new  
[bracketed material] = delete

1 nation, Jicarilla Apache tribe, Mescalero Apache tribe, all  
2 Indian pueblos council, eight northern Indian pueblos and ten  
3 southern Indian pueblos councils, the governor of the state and  
4 the legislature proposing changes in laws or ordinances to enact  
5 and begin to implement the findings of the task force; and

6 R. submit a written report to the first session of  
7 the forty-fourth legislature and the governing bodies of the  
8 Indian nations, tribes and pueblos in New Mexico stating the  
9 findings, conclusions and proposals for beneficial changes in  
10 law or ordinances that developed from the work of the task  
11 force.

12 Section 4. APPROPRIATION. --

13 A. One hundred sixty-two thousand dollars (\$162,000)  
14 is appropriated from the general fund to the legislative council  
15 service for expenditure in fiscal years 1997 through 1999 for  
16 the purpose of purchasing supplies, paying the salaries and  
17 expenses of technical, legal and clerical contractors or support  
18 staff and for reimbursing per diem and mileage of members of the  
19 dual taxation study task force, including advisory and Indian  
20 members.

21 B. Any unexpended or unencumbered balance remaining  
22 at the end of fiscal year 1999 shall revert to the general fund.

23 Section 5. EMERGENCY. -- It is necessary for the public  
24 peace, health and safety that this act take effect immediately.

# State of New Mexico House of Representatives

FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997

March 3, 1997

Mr. Speaker:

Your TAXATION AND REVENUE COMMITTEE, to whom has  
been referred

HOUSE BILL 126

has had it under consideration and reports same with  
recommendation that it DO PASS, and thence referred to the  
APPROPRIATIONS AND FINANCE COMMITTEE.

Respectfully submitted,

---

Jerry W. Sandel, Chairman

FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997

HB 126

Page 8

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

Adopted \_\_\_\_\_ Not Adopted \_\_\_\_\_

(Chief Clerk)

(Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 6 For 5 Against

Yes: 6

No: Crook, Gubbels, Parsons, Russell, Stell

Excused: Gonzales, Lujan

Absent: None

M \H0126

Underscored material = new  
[bracketed material] = delete