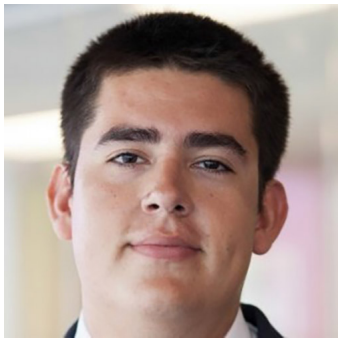
Written by By Raphael Pacheco NM Voices For Children
Friday, 26 May 2017 03:46



This week lawmakers will meet for the second special session called in eight months. At a cost of $50,000 a day, and no formal agenda or tax plan presented by the administration, New Mexicans should feel like they are being taken for a ride.

Although Governor Susana Martinez has announced her priorities for the reconvening—the budget, comprehensive tax reform, and confirmation hearings for her university regents—the focus of this special session should be the budget.

Our universities have no state funding for their fiscal year, which begins in less than 40 days. In addition, thanks to her veto of the bipartisan revenue package, the state lacks about $156 million needed to pay for critical services like education, health care, and public safety, and to shore up the depleted reserves.

With her term ending next year, it's a good bet the governor wants to say she left office without raising taxes, and having her legacy be that she cut taxes 37 times instead. As you may know, this doesn't fly with me. But her tone has changed and, citing a tax reform bill crafted by Representative Jason Harper, she now says she would be fine with taxing food as part of larger tax reform.

The fact that she and several lawmakers are considering eliminating tax breaks that help children, students, the disabled, working families, and charities is simply another iteration of the administration's reckless fiscal stewardship.

Comprehensive tax reform is a good idea but it needs to be done carefully, not rushed in a three or five day special session. Broadening the tax base and lowering the rate is ideal, but to attempt to make these changes during a special session is irresponsible at best. Harper's tax bill, House Bill 412, which the governor wants to use as a model for tax reform, tries to do too many things at once.

It's like trying to solve a half dozen 500-piece jigsaw puzzles all jumbled together without looking at the art on the boxes. Outside. On a windy day. Even during the 2017 regular session when the bill was crafted and introduced, the Legislative Finance Committee made note that, "it is impossible to score precisely the fiscal impact of this bill, or any tax reform bill of this magnitude."

In fact, of the 91 proposed amendments to the tax code, the fiscal impact of 44—almost half—is unknown. This demonstrates that the executive's plan to change New Mexico's tax code is built upon 48 percent uncertainty. Below are a few bad bits of the bill, should you want to know what's at stake.

Bipartisan collaboration and, more importantly, time and responsible leadership are required to undertake tax reform this large. Please, governor, stop taking us for a ride and do your job.

Raphael Pacheco, MBA, is a Research and Policy Analyst for NM Voices.

To continue reading Pacheco's breakdown on hot button issues, visit nmvoices.org

By Raphael Pacheco

NM Voices For Children