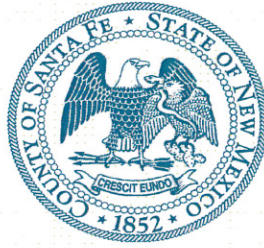


NO PACKET MATERIAL
FOR THIS ITEM

Daniel "Danny" Mayfield
Commissioner, District 1

Miguel M. Chavez
Commissioner, District 2

Robert Anaya
Commissioner, District 3



Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

MEMORANDUM

DATE: February 15, 2013

TO: Santa Fe Board of County Commissioners

FR: Rita Maes, Constituent Services Liaison on behalf
of Commissioner Miguel Chavez

RE: Introduction of Resolution in Support of House Bill 521 Relating to Requiring
Residential Property Tax Equity (Commissioner Chavez)

Item and Issue:

Commissioner Chavez respectfully requests adoption of Resolution 2013-____ in support of House Bill 521 relating to Residential valuation Limitation & Equity for New Mexico Residents introduced by Representative Edward Sandoval.

Background Summary:

The New Mexico Association of Counties, the New Mexico Assessors Affiliate and the New Mexico Association of Realtors support this bill and urge all County Affiliate organizations to contact their legislators to pass HB 521.

This bill is consistent with the intent of the New Mexico Constitution which allows the legislature to limit property taxes on the basis of income, age, or owner occupancy and would ensure that longtime homeowners in New Mexico do not lose their homes because of increased property taxes caused by increased valuations.

Action Recommendation:

Commissioner Chavez respectfully request adoption of the attached resolution in support of HB 521.

SANTA FE COUNTY

RESOLUTION NO. 2013-__

A RESOLUTION REQUIRING RESIDENTIAL PROPERTY TAX EQUITY

WHEREAS, the Santa Fe County Assessor desires to have a transparent and equitable property tax system that is easily understood by New Mexico citizens;

WHEREAS, New Mexico law limits the taxable value of a home to thirty-three and one third percent of assessed valuation;

WHEREAS, New Mexico law limits the possible increase in assessed value for residential property to three percent per year, except when residential property changes ownership, when improvements are first valued, or during the first year that the residential property is valued;

WHEREAS, current law creates an inequity, often called "tax lightning", which strikes new homeowners when they purchase a home, the existing 3% cap on value is removed, and the assessed value is raised to the current and correct market value;

WHEREAS, the New Mexico Association of Counties and the Realtors of New Mexico in 2012 convened a group of county representatives, realtors, legislative, and industry stakeholders to develop a property tax equity proposal;

WHEREAS, the collaboratively developed proposal is consistent with the intent of the New Mexico Constitution, which allows the legislature to limit property taxes on the basis of income, age, or owner occupancy;

WHEREAS, the proposal would bring all residential property values to no less than 90% of their current and correct market value;

WHEREAS, the State of New Mexico and local governments wish to ensure that longtime homeowners in New Mexico do not lose their homes because of increased property taxes, caused by increased valuations;

WHEREAS, the proposal seeks to limit the value of homes that have been owned by the same person for multiple years in the following manner: a) for ownership of 10 years or more, the assessed value would be reduced by 5%, b) for ownership of 20 years or more where the owner is aged 65 or older, the assessed value would be reduced by 10%; and

WHEREAS, the proposal is consistent with the New Mexico Tax Research Institute's principle that state and local tax policy should be fair and equitable toward individuals.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SANTA FE COUNTY, that Santa Fe County supports House Bill 521.

APPROVED AND ADOPTED this 26th day of February, 2013.

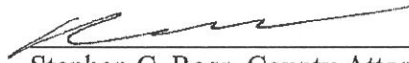
BOARD OF COUNTY COMMISSIONERS

Kathy Holian, Chair

Attest:

Geraldine Salazar, County Clerk

Approved as to Form:



Stephen C. Ross, County Attorney

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HOUSE BILL 521

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

INTRODUCED BY

Edward C. Sandoval

AN ACT

RELATING TO TAXATION; LIMITING INCREASES IN VALUE OF
RESIDENTIAL PROPERTY FOR PROPERTY TAXATION PURPOSES; PROVIDING
FOR ADDITIONAL LIMITS ON INCREASES IN VALUE OF CERTAIN OWNER-
OCCUPIED RESIDENTIAL PROPERTY.

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

SECTION 1. Section 7-36-21.2 NMSA 1978 (being Laws 2000,
Chapter 10, Section 2, as amended) is amended to read:

"7-36-21.2. LIMITATION ON INCREASES IN VALUATION OF
RESIDENTIAL PROPERTY.--

A. Residential property shall be valued at its
current and correct value in accordance with the provisions of
the Property Tax Code; provided that for the ~~[2001]~~ 2014 and
subsequent tax years, the value of a property in any tax year
shall not exceed ~~[the higher of]~~ whichever value is the highest

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1 of the following:

2 (1) one hundred ~~[three]~~ five percent of the
3 value in the tax year prior to the tax year in which the
4 property is being valued; ~~[or]~~

5 (2) one hundred ~~[six and one-tenth]~~ ten and
6 twenty-five hundredths percent of the value in the tax year two
7 years prior to the tax year in which the property is being
8 valued; ~~[This]~~ or

9 (3) ninety percent of the current and correct
10 value of the property determined for property taxation
11 purposes.

12 B. The limitation on increases in value provided by
13 Subsection A of this section shall be the highest value and
14 shall not exceed the current and correct value of the property
15 determined for property taxation purposes in accordance with
16 the provisions of the Property Tax Code.

17 C. In addition to the limitation on increases in
18 value provided by Subsection A of this section, the valuation
19 for property taxation purposes of a single-family dwelling that
20 is the primary residence and has been owned by the same New
21 Mexico resident for:

22 (1) ten or more years shall not exceed ninety-
23 five percent of the value of the property determined after the
24 application of the limitation provided pursuant to Subsection A
25 of this section; and

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1 (2) twenty or more years, and that person is
2 sixty-five years of age or older, shall not exceed ninety
3 percent of the value of the property determined after the
4 application of the limitation provided pursuant to Subsection A
5 of this section.

6 D. The limitation on increases in value provided
7 pursuant to this section does not apply to:

8 (1) a residential property in the first tax
9 year that it is valued for property taxation purposes;

10 (2) any physical improvements, except for
11 solar energy system installations, made to the property during
12 the year immediately prior to the tax year or omitted in a
13 prior tax year; or

14 (3) valuation of a residential property in any
15 tax year in which

16 ~~[(a) a change of ownership of the~~
17 ~~property occurred in the year immediately prior to the tax year~~
18 ~~for which the value of the property for property taxation~~
19 ~~purposes is being determined; or~~

20 ~~(b)]~~ the use or zoning of the property
21 has changed in the year prior to the tax year.

22 ~~[B. If a change of ownership of residential~~
23 ~~property occurred in the year immediately prior to the tax year~~
24 ~~for which the value of the property for property taxation~~
25 ~~purposes is being determined, the value of the property shall~~

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1 ~~be its current and correct value as determined pursuant to the~~
2 ~~general valuation provisions of the Property Tax Code.~~

3 ~~C. To assure that the values of residential~~
4 ~~property for property taxation purposes are at current and~~
5 ~~correct values in all counties prior to application of the~~
6 ~~limitation in Subsection A of this section, the department~~
7 ~~shall determine for the 2000 tax year the sales ratio pursuant~~
8 ~~to Section 7-36-18 NMSA 1978 or, if a sales ratio cannot be~~
9 ~~determined pursuant to that section, conduct a sales-ratio~~
10 ~~analysis using both independent appraisals by the department~~
11 ~~and sales. If the sales ratio for a county for the 2000 tax~~
12 ~~year is less than eighty-five, as measured by the median ratio~~
13 ~~of value for property taxation purposes to sales price or~~
14 ~~independent appraisal by the department, the county shall not~~
15 ~~be subject to the limitations of Subsection A of this section~~
16 ~~and shall conduct a reassessment of residential property in the~~
17 ~~county so that by the 2003 tax year, the sales ratio is at~~
18 ~~least eighty-five. After such reassessment, the limitation on~~
19 ~~increases in valuation in this section shall apply in those~~
20 ~~counties in the earlier of the 2004 tax year or the first tax~~
21 ~~year following the tax year that the county has a sales ratio~~
22 ~~of eighty-five or higher, as measured by the median ratio of~~
23 ~~value for property taxation purposes to sales value or~~
24 ~~independent appraisal by the department. Thereafter, the~~
25 ~~limitation on increases in valuation of residential property~~

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1 ~~for property taxation purposes in this section shall apply to~~
2 ~~subsequent tax years in all counties.~~

3 ~~D.]~~ E. The provisions of this section do not apply
4 to residential property for any tax year in which the property
5 is subject to the valuation limitation in Section 7-36-21.3
6 NMSA 1978.

7 ~~[E. As used in this section, "change of ownership"~~
8 ~~means a transfer to a transferee by a transferor of all or any~~
9 ~~part of the transferor's legal or equitable ownership interest~~
10 ~~in residential property except for a transfer:~~

11 ~~(1) to a trustee for the beneficial use of the~~
12 ~~spouse of the transferor or the surviving spouse of a deceased~~
13 ~~transferor;~~

14 ~~(2) to the spouse of the transferor that takes~~
15 ~~effect upon the death of the transferor;~~

16 ~~(3) that creates, transfers or terminates,~~
17 ~~solely between spouses, any co-owner's interest;~~

18 ~~(4) to a child of the transferor, who occupies~~
19 ~~the property as that person's principal residence at the time~~
20 ~~of transfer; provided that the first subsequent tax year in~~
21 ~~which that person does not qualify for the head of household~~
22 ~~exemption on that property, a change of ownership shall be~~
23 ~~deemed to have occurred;~~

24 ~~(5) that confirms or corrects a previous~~
25 ~~transfer made by a document that was recorded in the real~~

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1 ~~estate records of the county in which the real property is~~
2 ~~located;~~

3 ~~(6) for the purpose of quieting the title to~~
4 ~~real property or resolving a disputed location of a real~~
5 ~~property boundary;~~

6 ~~(7) to a revocable trust by the transferor~~
7 ~~with the transferor, the transferor's spouse or a child of the~~
8 ~~transferor as beneficiary; or~~

9 ~~(8) from a revocable trust described in~~
10 ~~Paragraph (7) of this subsection back to the settlor or trustor~~
11 ~~or to the beneficiaries of the trust.]~~

12 F. As used in this section:

13 (1) "primary residence" means the domicile
14 where a person resides for more than six months of the year;
15 and

16 (2) "solar energy system installation" means
17 an installation that is used to provide space heat, hot water
18 or electricity to the property in which it is installed and is:

19 ~~[(1)]~~ (a) ~~an installation that uses~~
20 ~~solar panels that are not also windows;~~

21 ~~[(2)]~~ (b) ~~a dark-colored water tank~~
22 ~~exposed to sunlight; or~~

23 ~~[(3)]~~ (c) ~~a non-vented trombe wall."~~

24 SECTION 2. APPLICABILITY.--The provisions of this act
25 apply to taxable years beginning on or after January 1, 2014.

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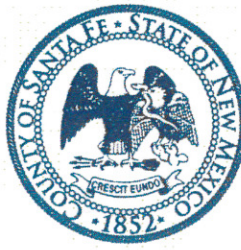
SECTION 3. EFFECTIVE DATE.--The effective date of the
provisions of this act is January 1, 2014.

- 7 -

Daniel “Danny” Mayfield
Commissioner, District 1

Miguel M. Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3



Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

To: The Board of County Commissioners
From: Commissioner Kathy Holian

Resolution No. 2013-___ Supporting Proposed State Legislation, Senate Bill 394 (“SB 394”), Relating To Utilities; Amending A Section Of The Public Utility Act To Provide For Community Solar Facilities To Qualify As Distributed Generation Facilities.

Despite its allure, adopting solar remains impossible for a surprising, even overwhelming, number of Americans. In fact, 80% of metered utility customers in the US cannot install solar on their rooftops due to building restrictions, shade on their property, low credit scores, prohibitive up-front costs, or the fact that they are renters, among other reasons.

Many of these barriers to solar access cannot or will not change anytime soon. Fortunately, though, the solar industry has pioneered an emerging solution that breaks down these barriers to access: community solar.

In community solar installations (also known as solar gardens, community-sited energy, off-site solar, or solar cooperatives), a utility-scale solar PV project of up to several megawatts is installed on a site that receives ample sunlight. Homeowners and businesses then buy either individual modules or a limited-term “subscription” to the electricity produced by a defined portion of the system. With the consent of the utility, these customers then receive a credit on their bills accounting for this electricity generation, allowing them to save money on electricity bills and have a stake in clean, renewable energy. The systems, in turn, are operated and maintained by private enterprises. These companies use economies of scale and their industry experience to design exceedingly cost-effective installations that ultimately make solar more accessible to a broader array of potential customer.

Community solar programs are quickly emerging in several states. Colorado’s Xcel Energy’s program, for example, sold out within minutes of launching in August. After 30 minutes, applications were halted entirely after the utility received three times as many applications as the program’s allowed capacity. This demonstrates the profound interest that developers and consumers have in solar models where solar ownership is both simple and affordable. Any utility customer, including renters, low-income residents, and industrial facilities, can easily connect into their community’s solar garden. What’s more, community solar programs turn solar into an asset that can be sold, donated, or transferred when a customer moves to a new residence within that utility territory.

This resolution supports Senate Bill 349, which provides public electric utilities operating in New Mexico a vehicle to administer community solar programs within their service territories.

SANTA FE COUNTY
RESOLUTION NO. 2013-

**A RESOLUTION SUPPORTING PROPOSED SENATE BILL 394
("SB 394"), RELATING TO UTILITIES; AMENDING A SECTION OF THE
PUBLIC UTILITY ACT TO PROVIDE FOR COMMUNITY SOLAR
FACILITIES TO QUALIFY AS DISTRIBUTED GENERATION FACILITIES.**

WHEREAS, the 60 day session of the 2013 Legislative Session began on January 15, 2013;

WHEREAS, SB 394 was introduced for consideration by the 51st Legislature - State of New Mexico - First Session, 2013;

WHEREAS, SB 394 would provide public electric utilities a vehicle to administer community solar programs within their service territories;

WHEREAS, community solar advocates are driven by the recognition that the on-site solar market comprises only one part of the total market for solar energy;

WHEREAS, a 2008 study by the National Renewable Energy Laboratory found that only 22 to 27% of residential rooftop area is suitable for hosting an on-site photovoltaic (PV) system after adjusting for structural, shading, or ownership issues;

WHEREAS, community options are needed to expand access to solar power for renters, those with shaded roofs, and those who choose not to install a residential system on their home for financial or other reasons;

WHEREAS, as a group, ratepayers and/or taxpayers fund solar incentive programs and as a matter of equity, solar energy programs should be designed in a manner that allows all contributors to participate; and

WHEREAS, the secondary goals met by many community solar projects include: improved economies of scale; optimal project siting; increased public understanding of solar energy; generation of local jobs; and opportunities to test new models of marketing, project financing and service delivery.

NOW, THEREFORE, BE IT RESOLVED THAT THE SANTA FE COUNTY BOARD OF COUNTY COMMISSIONERS supports SB 394.

BE IT FURTHER RESOLVED, that the legislative staff are directed to forward a copy of this Resolution to the Santa Fe State Legislative Delegation.

PASSED, APPROVED, and ADOPTED this 19th day of February, 2013.

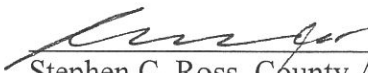
BOARD OF COUNTY COMMISSIONERS

Kathy Holian, Chairman
Commissioner, District IV

ATTEST:

Geraldine Salazar, County Clerk

APPROVED AS TO FORM:



Stephen C. Ross, County Attorney

NMAC Board Positions as of 2/16/2013

NMAC Board Support:

HB37aa Annual Delinquent Property Tax Sales (priority)
HB225 Elections: Voter Registration Online Updates (Board support Aug. 2, 2012)
HB275 Volunteer Firefighter Pension Increase
HB294/SB289 Automatic Application of a Property Valuation Limitation
HB334 County Officials: Salary Limit Increases
HB373 Authorizes Restrictions on Fireworks Sales
HB411 Veterans' Services: Indigent Veterans' Burial Fund
HB464 Fireworks Ban (priority)
HB517 Disabled Veteran Exemptions for Assessments
HB521 Residential Valuation Limitation & Equity for NM Residents
HB526 County Property Tax Notices and Assessments by Electronic Mail
HB565 Fire Protection Fund Distributions to the Emergency Medical Services Fund (NMAC Board position supports additional funding for EMS programs without depleting the fire fund; forming EMS Multidisciplinary Committee to do more research)
HB613/SB406 Collecting Property Tax on Divided or Combined Real Property
HB615 Volunteer Firefighter Stipend payments
SB19 Office of School and Adolescent Health
SB20 Raise Probation Costs for Defendants
SB117a Affidavits on Sale of Nonresidential Property (priority)
SB182 Procurement Code; Sole Source, Protests, Penalties
SB204 Renewable Energy Certificates for Thermal Energy
SB299 Changes and Updates in Marriage Licensing and Related Matters (Board support Aug. 2, 2012)
SB307 Changes Public Records Requirements
SB353 Changes Public Records Requirements (priority)
SB356 Election Code Revisions (Board support Aug. 2, 2012)
SB430 Mandatory Authority for Counties to Accept Delinquent Property Tax Payments
SB510 Application Deadline for Agricultural Land Valuation
SB554 Notice Requirements for Certain Liens (Board support Aug. 2, 2012)
Mental Health Task Force Recommendations
Travel Management Plan Resolution

NMAC Board Support w/amendments:

HB438 Parole Following Imprisonment of Less Than One Year
HB450 Sentence Reductions at Bernalillo County Jail (Request all Class A counties included; Socorro & Valencia County oppose)
HB527 Local DWI Grant Fund Distribution Increase (With amendment to change from 41.5% to 45% with incremental increases thereafter)
SB27 Public Employee Retirement Changes (With amendment for those making less than \$20,000)
SB450 Fiscal Impact Statements for Bills Involving Criminal Penalty (Include amendment for additional costs for county jails)

NMAC Board Oppose:

HB21 Public Meeting Agendas 72 Hours in Advance (to refer to EC; take no action did not pass)
HB286 Oil & Gas Financial Assurance (NMAC standing position to oppose bills that erode county revenue)
HB330 Valuation of Renewable Energy Equipment (NMAC standing position to oppose bills that erode county revenue)
HB515/SB4343 Mandatory Training for County and Municipal Elected Officials or Ouster from Office
HB544 Cap of \$300 on County Clerk Recording Fee for Multiple Record Indices

HJR5 CA: Prohibits Holding Same County Office for More than Ten Years
HJR12 CA: Independent Police Review Boards
SB463 Preemption of County and City Jurisdiction Over Oil and Gas Regulations
SB484 County Clerk Filing Fee Cap of \$100
SB526 Detention Facility Audit Act

NMAC Board Moved to Table:

HB292/SB404 Transfer of Public Lands Act
HB511 Required Crisis Training for Correctional Officers, Jailers, and Firefighters

NMAC Board No Action:

HB147 Public Employee Retirement: Retiree Return to Work
HB212 Liquor Excise Tax: Counties May impose (Dead bill; EC supported as amended)
HB219 Elections: Adequate Consolidated Polling Location Staffing (No position, working on new substitute bill)
HB348/SB249 Statewide Construction Inspectors and Mandatory Complaint Investigations (More research)
HB356 Requires UNM Hospital Reporting on Indigent Care (Bernalillo County only; watch)
HB377 Property Taxes: Yield Control Tweak (passed on)
HB400 Municipal Certified Building Official (More research)
HB545 Prohibits Credit Card Surcharges (Passed on)
HB577 Public Notification on Web Site (Passed on)
SB65 Pre-Release Medicaid for Incarcerated Persons (Tabled in committee)
SB134 Procurements Services for Architects, Engineers, and Surveyors (Tabled in committee, dead bill)
SB315 Municipal and County Comprehensive Plans (NMAC staff to review)
SB435 Municipalities: Avenues to Disincorporation Other Than by Petition (Pass on, deals with municipalities)

NMAC Board Refer to Executive Committee 2/21 Teleconference

HB81 State Road Fund, \$25 Million
HB163/SB175 Right of First Refusal for Public Utilities and Electric Co-ops
HB355 Public Improvement District Requirements
HB369 Fundamental Tax Reform
HB375 Expands Deductible Services of Health Care Practitioners
HB399 Off-Highway Motor Vehicle Routes
HB561 Corrections of Prior Distributions to Local Governments
HB612 Cuts Gross Receipts Tax Rate; Eliminates Certain Health Care Exceptions
SB201 Off-Highway Vehicles on Highways
SB368 Fundamental Tax Reform
SB502 Blue Ribbon Tax Reform Commission
SB518 Revises Procedure for Correcting Tax distributions to Local Governments
SB540 Ends Food, Medical Save-Harmless Distributions and Decouples Deductions
SB586 Medicaid Reimbursement to Hospitals and sole Source Providers (US Sen. Heinrich wants to hear from each county regarding CMS funding.)
SB641 Pain Relief Act Standards
SJM39 Interim Study: Is SB368 Good Tax Policy

For Information Only:

HB211 Capital Expenditures: Severance Tax Bonds and General Fun Appropriations
HB277 Prohibiting Certain Required Employee Meetings
HB337 Work New Mexico Act

**NO PACKET MATERIAL FOR THESE
ITEMS**