

**TOWN OF EDGEWOOD**

**RESOLUTION NO. 2009-39**

**OPPOSING LEGISLATION GRANTING REPEALING  
THE HOLD HARMLESS PROVISION**

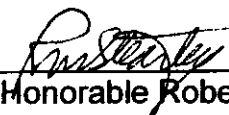
**WHEREAS**, the Legislature may be considering repealing the food and medical hold harmless provision for local governments as part of their efforts at addressing the deficit; and

**WHEREAS**, if the Legislature did repeal the hold harmless provision, the Town would receive approximately \$830,194.00 less in gross receipts distributions; and

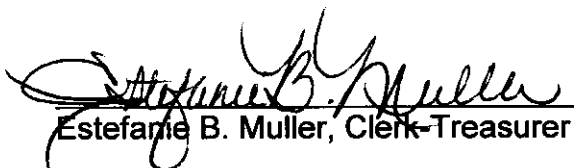
**WHEREAS**, said action would further have a crippling impact on future infrastructure projects, street capital projects, street maintenance, wastewater improvement projects, economic development, and other uses specially authorized by the residents of the Town when they authorized the imposition of additional gross receipt taxes.

**NOW, THEREFORE BE IT RESOLVED** by the Town of Edgewood Governing Body that we hereby oppose any effort to balance the State's budget on the backs of local government including any proposal to repeal the hold harmless provision.

**BE IT FURTHER RESOLVED**, that the Town Administrator is hereby requested to distribute a certified copy of this Resolution to our local state legislative officials.

By:   
Honorable Robert Stearley, Mayor

ATTEST:

  
Estefanie B. Muller, Clerk-Treasurer



TO: ALL MEMBER MUNICIPALITIES  
FROM: Bill Fulginiti, Executive Director  
SUBJECT: SPECIAL LEGISLATIVE SESSION  
DATE: October 6, 2009

### URGENT ACTION REQUESTED!!!

Governor Richardson has called a Special Legislative Session to address the serious shortfall of revenues for the state budget. The shortfall may be in the range of \$600 to \$700 million dollars for FY 2010.

From "clawing back" unspent capital outlay monies to bigger percentage decreases in spending, the Legislature and the Governor are leaving no stone unturned in trying to balance the State Budget.

We understand that the Legislature is considering a proposal that would be disastrous for municipalities. They are looking at **repealing the food and medical hold harmless provision** for local governments which was put in place when the gross receipts tax on food and medical services was repealed. **For Municipalities it would mean a loss of \$94.5 million and \$26.5 million for Counties, for a total of \$121 million. This potential loss would be on top of a statewide local government budget shortfall of about \$200 million for FY 10.**

You need to meet with your legislators before they come to Santa Fe for the special Session beginning on October 17<sup>th</sup>. **Please emphasize to them that the taking of any revenue from your municipality would be a double hit on your budget at a time when you have had to reduce your expenditures and furlough employees.**

I'm attaching a spread sheet showing the impact of repealing the hold harmless for food and medical.

Please let me or Regina Romero know the results of your meetings with Legislators. You may contact us at 1-800-432-2036 or at [wfulginiti@nmml.org](mailto:wfulginiti@nmml.org) or, [rromero@nmml.org](mailto:rromero@nmml.org).

**ACT NOW!!!**

Hold Harmless Food and Medical Distributions to Municipalities in FY09

240,000

Municipality	Food Deduction Distributions	Medical Deduction Distributions	Total Distributions
Alamogordo	2,065,970	622,216	2,688,186
Albuquerque	23,827,779	10,730,584	34,558,362
Angel Fire	77,293	1,718	79,011
Artesia	805,488	61,239	866,727
Aztec	522,774	41,036	563,810
Bayard	65,876	7,638	73,513
Belen	792,770	117,658	910,428
Bernalillo	1,002,710	25,536	1,028,247
Bloomfield	54,014	8,095	62,108
Bosque Farms	33,979	10,512	44,492
Capitan	110,085	286	110,371
Carlsbad	1,655,620	418,411	2,074,031
Carrizozo	16,980	-	16,980
Chama	71,827	333	72,159
Cimarron	-	216	216
Clayton	153,753	11,923	165,677
Cloudcroft	18,531	299	18,830
Clovis	1,938,699	624,469	2,563,168
Columbus	14,491	230	14,720
Corrales	5,455	8,008	13,463
Cuba	94,096	41	94,137
Deming	748,901	125,744	874,645
Des Moines	-	15	15
Dexter	38,348	2,245	40,594
Dora	616	-	616
Eagle Nest	82	-	82
Edgewood	787,179	43,015	830,194
Elephant Butte	8,211	1,484	9,696
Elida	9,306	-	9,306
Espanola	1,368,802	92,002	1,460,804
Estancia	45,034	626	45,660
Eunice	93,181	-	93,181
Farmington	3,709,150	1,208,750	4,917,901
Ft Sumner	56,824	-	56,824
Gallup	2,488,799	189,835	2,678,634
Grants	553,996	94,177	648,172
Hagerman	21,084	-	21,084
Hatch	127,042	22	127,064
Hobbs	2,109,788	125,202	2,234,990
Jal	75,258	-	75,258
Jermez Springs	2,260	343	2,603
Las Cruces	4,959,442	2,019,634	6,979,076
Las Vegas	946,269	234,370	1,180,639
Logan	54,751	-	54,751
Lordsburg	90,528	61	90,589

~ 30% of non-const. revenue

<b>Municipality</b>	<b>Food Deduction Distributions</b>	<b>Medical Deduction Distributions</b>	<b>Total Distributions</b>
Los Lunas	1,534,520	122,801	1,657,321
Los Ranchos de Alb.	87,376	10,047	97,422
Loving	27,756	-	27,756
Lovington	444,771	23,912	468,684
Magdalena	20,712	2,908	23,620
Melrose	9,945	-	9,945
Mesilla	9,818	30,306	40,124
Milan	148,206	-	148,206
Moriarty	115,068	53,562	168,631
Mosquero	39	-	39
Mountainair	2,334	-	2,334
Pecos	24,634	-	24,634
Peralta	7,299	-	7,299
Portales	630,273	24,993	655,265
Questa	29,589	527	30,115
Raton	349,521	83,402	432,924
Red River	48,997	-	48,997
Reserve	22,671	-	22,671
Rio Rancho	2,410,788	580,110	2,990,898
Roswell	2,426,038	547,745	2,973,783
Roy	11,047	31	11,078
Ruidoso	276,771	143,864	420,635
Ruidoso Downs	597,838	-	597,838
San Ysidro	12,408	-	12,408
Santa Clara	-	164	164
Santa Fe	7,957,579	2,335,074	10,292,653
Santa Rosa	127,543	69,957	197,500
Silver City	1,157,474	264,718	1,422,192
Socorro	512,361	34,720	547,081
Springer	14,415	6,855	21,270
Sunland Park	30,664	18,634	49,298
Taos	1,620,719	199,559	1,820,278
Taos Ski Valley	-	486	486
Tatum	39,677	-	39,677
Texico	17,566	-	17,566
Tijeras	2	550	552
Truth or Consequences	370,484	20,719	391,202
Tucumcari	294,840	21,668	316,508
Tularosa	97,526	-	97,526
Vaughn	16,038	-	16,038
Wagon Mound	1,942	-	1,942
<b>Municipal Total</b>	<b>73,130,289</b>	<b>21,425,283</b>	<b>94,555,573</b>

Note: The following municipalities received no hold harmless distributions in FY 2009: Causey, Corona, Encino, Floyd, Folsom, Grenville, Hope, House, Hurley, Lake Arthur, Maxwell, San Jon, Grady, Virdea, Willard, and Williamsburg.

**Hold Harmless Food and Medical Distributions to Counties in FY09**

<b>County</b>	<b>Food Deduction Distributions</b>	<b>Medical Deduction Distributions</b>	<b>Total Distributions</b>
Bernalillo	6,455,451	2,791,644	9,247,095
Catron	3,257	0	3,257
Chaves	579,667	110,860	690,528
Cibola	273,438	38,515	311,953
Colfax	30,793	7,362	38,155
Curry	367,434	115,642	483,076
De Baca	12,220	69	12,289
Dona Ana	985,887	384,650	1,370,537
Eddy	229,687	43,274	272,961
Grant	281,567	62,718	344,285
Guadalupe	53,025	24,471	77,495
Harding	1,302	7	1,309
Hidalgo	27,998	18	28,016
Lea	262,765	14,509	277,274
Lincoln	85,674	9,561	95,235
Los Alamos (1)	1,069,325	497,375	1,566,700
Luna	167,124	27,285	194,409
Mckinley	1,249,123	72,359	1,321,482
Mora	19,678	239	19,917
Otero	278,000	78,291	356,292
Quay	138,248	8,253	146,501
Rio Arriba	301,211	20,407	321,617
Roosevelt	244,467	9,527	253,993
San Juan	1,531,258	423,074	1,954,332
San Miguel	226,193	53,047	279,240
Sandoval	350,893	59,598	410,492
Santa Fe	2,543,045	673,387	3,216,432
Sierra	138,279	7,814	146,093
Socorro	75,327	5,371	80,698
Taos	551,058	69,888	620,946
Torrance	50,362	17,936	68,297
Union	47,455	3,684	51,139
Valencia	494,064	56,792	550,855
County Medicaid (2)	1,186,008	398,647	1,584,655
<b>County Total</b>	<b>20,311,283</b>	<b>6,086,271</b>	<b>26,397,554</b>
<b>ADDENDUM:</b>			
<b>Municipal Total</b>	<b>73,130,289</b>	<b>21,425,283</b>	<b>94,555,573</b>
<b>County + Municipal Total</b>	<b>93,441,572</b>	<b>27,511,555</b>	<b>120,953,127</b>

(1) Los Alamos is also considered a municipality and therefore also receives a hold harmless distribution based on the State Share 1.225% distribution in addition to their imposed local option gross receipts taxes.

(2) These distributions are associated with the County Health Care Gross Receipts Tax. All of the revenue from this county local option is dedicated to the County-Supported Medicaid Fund.