

**RESOLUTION NO. 10-08**

**A RESOLUTION URGING THE STATE LEGISLATURE TO  
OPPOSE ANY REPEAL OF THE HOLD HARMLESS  
PROVISION TO GROSS RECEIPTS TAXES ON FOOD AND  
MEDICAL FOR LOCAL GOVERNMENTS**

**WHEREAS**, the 2010 New Mexico Legislature is charged with balancing a serious shortfall of revenues in the State budget; and

**WHEREAS**, Senate Bill 247 has been introduced that will phase out the hold harmless provision in 7-1-6.46 (NMSA 1978) by July 1, 2014; and

**WHEREAS**, the FY2009 distribution from sales of food and medical was \$2,973,783 to the City of Roswell; and

**WHEREAS**, if SB247 or any similar bill is passed and signed, it is estimated that this would be a loss to the City of Roswell of an estimated \$600,000 the first year, \$1,200,000 the second year, \$1,800,000 the third year, \$2,400,000 the fourth year and \$3,000,000 the final year; and

**WHEREAS**, the City of Roswell has already reduced its FY2010 budget by 6%; and

**WHEREAS**, any further reduction to the City's budget would greatly hinder the ability to provide adequate services.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL, THE GOVERNING BODY OF THE CITY OF ROSWELL, NEW MEXICO that:** Members of the State Legislature representing Roswell and Chaves County are urged to not increase the financial burden on the City or County by repealing the hold harmless provision on food and medical gross receipts taxes; and that they vote no on any pieces of legislation that might result in the further revenue reductions to the City's already declining funds.

**PASSED, ADOPTED, SIGNED AND APPROVED this 11<sup>th</sup> day of February, 2010**



A handwritten signature in black ink, appearing to read "Sam LaGrone".

**Sam D. LaGrone, Mayor**

A handwritten signature in black ink, appearing to read "Dave Kunko".

**Dave Kunko, City Clerk**