

LFC Requester:	J. Rodriguez
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 1/25/2025 *Check all that apply:*
Bill Number: HB19 Original Correction
 Amendment Substitute

Sponsor: Rep. Lundstrom **Agency Name and Code** 419
Short Title: Trade Ports Development Act **Number:** _____
Title: _____ **Person Writing** I. Romero
Phone: (505) 412-7225 **Email** Isaac.romero@edd.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
	Unknown	Unknown	Recurring	Trade Ports Development Fund

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$130.0	\$130.0	\$130.0	\$390.0	Recurring	EDD Budget

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

House Bill 19 creates the Trade Ports Development Act. The Act establishes criteria for trade port district designation and the geographic area for a trade port district, which can be proposed by either a public or a private partner. The bill establishes various criteria to be met by the district at the time of designation as a trade port district. The Bill establishes criteria for the Secretary of the Economic Development Department (EDD) to use in deciding whether to approve a proposed grant, loan, and public-private partnership agreement. House Bill 19 creates an advisory committee and provides it with duties to make recommendations to the secretary of EDD for proposed grants, loans, and public-private partnership agreements. The bill provides new duties and powers to the secretary of EDD and establishes requirements and restrictions for public-private partnership agreements. House Bill 19 creates the Trade Ports Development Fund and establishes uses of the fund to support trade port development. Finally, the bill amends certain tax code provisions to provide revenue to the Trade Ports Development Fund. The bill adds an exemption to the procurement code for contracts entered into pursuant to the Act and has an effective date of July 1, 2025.

FISCAL IMPLICATIONS

There are several fiscal implications in this bill which can primarily be addressed by the Taxation and Revenue Department (TRD). The fiscal implications include estimating the revenue distributed to the Trade Ports Development Fund annually from the amendments to the tax code.

SIGNIFICANT ISSUES

There are two east / west trade port corridors along I-40 and I-10, as well as the north – south corridor along I-25.

Trade ports can significantly enhance the regional as well as state economy however they require significant infrastructure investments and their viability is based on a wide variety of factors as described in the bill.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

EDD will administer the provisions of the Act and will require additional staff of at least one FTE including related administrative costs including travel to various projects. EDD staff are also required to manage and administer the 12-member advisory committee.

The effective date is July 1, 2025; however, there does not appear to be initial funding available

for administering the program and the first progress report is due to the governor and legislature in six months on December 1, 2025. The rulemaking process takes time as required by law which may cause EDD difficulty in providing an effective progress report by December 1, 2025 on the new program. Any administrative funds, including staffing and contracting for support would require going through the legislative appropriations process which would not happen until the 2026 legislative session, delaying activity for an additional fiscal year.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS