

LFC Requester:	None
-----------------------	-------------

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: Jan. 31. 2025 *Check all that apply:*
Bill Number: HB 85 Original Correction
 Amendment Substitute

Sponsor: Reps. Cates & Ferrary **Agency Name and Code** State Land Office - 539
Short Title: PROHIBITING NONFUNCTIONAL TURF **Number:** _____
Person Writing Sunalei Stewart **Phone:** 505-827-5755 **Email** sstewart@nmslo.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
None	None		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
None	None	None		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact			

(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:

HB 85 prohibits installation of nonfunctional turf on state-owned or -funded property on or after January 1, 2027. Beginning January 1, 2032, nonfunctional turf on state property may only be irrigated using recycled or reclaimed water. Any nonfunctional turf that is removed from state property on or after January 1, 2032 must be replaced with drought- and climate-resilient landscaping.

The bill includes the following definitions:

- "nonfunctional turf" means irrigated turf grass that has no recreational purpose or that is primarily decorative and includes turf in or around medians, roundabouts, parking lots, landscape strips between sidewalks and streets, commercial and industrial properties.
- "drought- and climate-resilient landscaping" includes efficient irrigation systems such as drip, water harvesting and reuse systems, organic mulches, xeriscaping, trees and other plants that, once established, require little to no supplemental water, such as native and drought-tolerant plants.
- "state-funded property" means the property of a capital improvement project for which the state provided at least 40% of the funding to purchase.
- The bill does not contain a definition for "state-owned property."

FISCAL IMPLICATIONS

HB would not have any direct impact on the budget or earnings of the State Land Office. However, if the legislation were to be interpreted as applying to state trust lands, the bill could have a significant but undetermined impact on lessees.

SIGNIFICANT ISSUES

As a general matter, the State Land Office supports efforts to use drought resistant landscaping at state facilities and does so with respect to the building it owns in Santa Fe.

HB 85, however, does not include a definition of "state-owned property." As such, it is unclear if the bill would apply to the nine million acres of state trust lands the State Land Office manages throughout the state. The agency leases these lands for a wide variety of uses, including industrial parks, film studios, hotels, major retailers, science and tech parks, state parks and municipal and county complexes. Many of the leases include subleases. The State Land Office does not know how many of these leases include nonfunctional turf, but considering that the agency has over 1,000 business leases, some of them will.

To ensure that the bill does not inadvertently impact private sector activities occurring on state lands, the State Land Office suggests that the bill be amended to explicitly exclude state trust lands (as noted below).

AMENDMENTS

Page 2, line 24, insert a new paragraph: “D. For the purposes of this section, “state-owned properties” does not include property under the control and management of the commissioner of public lands.”