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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

<u>AgencyAnalysis.nmlegis.gov</u> and email to <u>billanalysis@dfa.nm.gov</u>

(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**: 12 February 2025 *Check all that apply:* **Bill Number:** HB 358 Original X Correction ___ Amendment __ Substitute __ **Agency Name** and Code NM Sentencing Commission -- 354 Number: **Sponsor:** Pettigrew Interim Admin. Rules Oversight **Person Writing Douglas Carver Short** Committee **Phone:** 505-239-8362 **Email** dhmcarver@unm.edu Title: **SECTION II: FISCAL IMPACT APPROPRIATION** (dollars in thousands) **Appropriation** Recurring Fund or Nonrecurring **Affected FY25 FY26** (Parenthesis () indicate expenditure decreases) **REVENUE** (dollars in thousands) Recurring **Estimated Revenue Fund** Affected **FY25 FY26 FY27 Nonrecurring**

(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						

(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 358 creates the Interim Administrative Rule Oversight Committee, a 12-member committee that has its appointees split evenly between the two major parties in the state and both chambers of the Legislature. Appointees are to serve two-year terms. The bill states that this committee should meet at least once a month during the interim. The committee is to (1) review rules proposed by an executive agency, committee staff analysis of the rules and fiscal impacts associated with the rules two weeks prior to the public rule hearing for the rules, except when the legislature is in session; (2) make recommendations on the rules to the proposing executive agency; (3) recommend changes to the authorizing statutes of a rule to clarify legislative intent; and (4) direct the work of committee staff.

LCS may hire up to four staff for the committee. This staff shall develop a written analysis of any proposed rule from an "executive agency". Details of what should be in this analysis are laid out in the statute.

HB 358 also amends Section 14-4-5.2 NMSA 1978, concerning notice of proposed rulemaking, by adding the requirement that the notice include an estimate of the cost of implementing the proposed rule; provided that the agency shall include a fiscal impact statement pursuant to Section 14-4-5.9 NMSA 1978 if the cost of implementing the proposed rule is estimated to be greater than one million dollars.

Finally, HB 358 creates a new section of the State Rules Act, Section 14-4-5.9, setting out the requirements of fiscal impact statements for proposed rules. Two million dollars is appropriated to LCS to establish the committee.

FISCAL IMPLICATIONS

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

SIGNIFICANT ISSUES

The new sections of law in HB 358 refer throughout to "executive agency"; the problem, however, is that "executive agency" is not defined in the State Rules Act (which is presumably where these new sections of law would be placed). The State Rules Act does define "agency", as "any agency, board, commission, department, institution or officer of the state government except the judicial and legislative branches of the state government." As no definition is provided in HB 358 for "executive agency", it is unclear to which entities these new sections would apply.

Similarly, the term "the interim" is used throughout the bill – presumably this means the period between the end of one Legislative Session and the beginning of the next, but the precise period of time encompassed by "the interim" is not specified.

As the Sentencing Commission has only once issued rules in its two decades-plus history, and those rules had to cost to implement, it is not likely that this bill would effect the Commission's operations.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS