

LFC Requester:

Julisa Rodriguez

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

SECTION I: GENERAL INFORMATION

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

Date Prepared: 2/20/2025

Check all that apply:

Bill Number: HB 469

Original Correction
Amendment Substitute

Sponsor: Rep. Raymundo Lara, Rep. Javier Martinez

Agency Name and Code Number: 305 – New Mexico Department of Justice

Short Title: BORDER AUTHORITY & DIRECTOR REQUIREMENTS

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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		

(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

This analysis is neither a formal Opinion nor an Advisory Letter issued by the New Mexico Department of Justice. This is a staff analysis in response to a committee or legislator’s request. The analysis does not represent any official policy or legal position of the NM Department of Justice.

BILL SUMMARY

Synopsis:

HB 469 principally makes changes to the composition of the membership of the “border authority” and requires and permits the authority to invite others to serve as advisory members. HB 469 also makes changes to definitions and minor changes to language in various sections of the Border Development Act, NMSA 1978, §§ 58-27-1 to 26.

SECTION 1. Section 1 of HB 469 moves the definition of the word “bond” from subsection (H) to subsection (B) of Section 58-27-3 and modifies the meaning of the term by providing that “‘bond’ includes notes and obligations” whereas the term previously meant “any bonds, notes or other obligations.” Section 1 of HB 469 also moves the definition of the word “bondholder” from subsection (I) to subsection (C) of Section 58-27-3, and modifies the meaning of the term by providing that “‘bondholder’ means the owner of a registered or unregistered bond” whereas the term previously meant “a person who is the owner of a bond, regardless of whether the bond is registered.”

Section 1 of HB 469 re-letters the subsections of Section 58-27-3 to accommodate the change in subsection lettering for the terms “bond” and “bondholder.”

Subsection 1 of HB 469 makes apparently stylistic changes to the language of new subsection (G) of Section 58-27-3, relative to the definitions of the term “project.”

SECTION 2. Section 2 of HB 469 amends Section 58-27-4 to completely change the composition of the membership of the border authority, to expand the number of its voting members from seven (7) to nine (9), and to attempt to establish terms of service for those members appointed by the governor. Section 2 of HB 469 also requires the border authority to invite certain government officials to serve as non-voting advisory members and permits the border authority to invite others to serve as non-voting advisory members.

SECTION 3. Section 3 of HB 469 amends Section 58-27-6 to specify that the voting members of the border authority shall elect a voting member as chair and a voting member as vice chair. Section 3 continues to allow the border authority to establish “other officer positions as the [voting] members deem appropriate” but further adds that such “officer positions shall be for a term of one year.”

SECTION 4. Section 4 of HB 469 amends Section 58-27-10 principally to make stylistic and organizational changes to language describing the powers and duties of the border authority.

Section 4 of HB 469 amends Section 58-27-10(A)(8) to refer to “the *state agency* border area development efforts” instead of the existing language referring to “the *executive department’s* area development efforts”.

Additionally, Section 4 of HB 469 also includes an amendment that adds a new subsection, 58-27-10(B)(9), to provide that the border authority may “enter into agreements with private persons concerning the advance of money by private persons for public purposes or the granting of real property by private persons for public purposes[.]” The term “advance of money” is also used in the new language proposed by Section 9 of HB 469, which pertains to the border project fund.

SECTION 5. Section 5 of HB 469 amends Section 58-27-12 principally to include required minimum educational and experience qualifications and job duties for the person hired by the border authority to act as executive director.

SECTION 6. Section 6 of HB 469 amends Section 58-27-13 to change identification of the “location” of the border authority from the “New Mexico-Chihuahua border area” to the “New Mexico-Mexico border area.”

SECTION 7. Section 7 of HB 469 amends Section 58-27-21, pertaining to “refunding revenue bonds”, principally to make stylistic changes.

Additionally, Section 7 of HB 469 amends Section 58-27-21(A)(1) to limit the permissive ability of the border authority when issuing refunding revenue bonds to capitalize interest “about to come due” to a period of not more and not less than one (1) year from the date of the refunding bonds. The existing version of Section 58-27-21(A)(1) permits capitalization of interest that is “about to come due for *any period not exceeding* one year from the date of the refunding bonds.” (Italics added.)

SECTION 8. Section 8 of HB 469 amends Section 58-27-25, pertaining to the “border authority fund”, by making stylistic, spelling, and organizational changes to the language of Section 58-27-25.

SECTION 9. Section 9 of HB 469 amends Section 58-27-25.1, pertaining to the “border project fund”, principally by changing the language of Section 58-27-25.1(E) and (F), and by making stylistic and organizational changes elsewhere.

The changes to Section 58-27-25.1(E)(1) clarifies the meaning of “financial assistance” provided by the border authority as referencing “grants or loans with terms and conditions approved by the authority”. The changes to Section 58-27-25.1(E)(2) – regarding the payment of “costs incurred” – changes the origins of such “costs incurred” from a joint powers agreement with the federal government to an agreement with “private persons concerning the advance of money by a private person for a public purpose”. The changes to Section 58-27-25.1(E)(2) – regarding the payment of “costs incurred” relative to a “joint venture” eliminates modifying language specifying that the joint venture consists of a “partnership or other business relationship with a qualified entity or private person.”

The change to Section 58-27-25.1(F) modifies and clarifies the phrase “originate financial

assistance” by adding the phrase “in the form of grants or loans with terms and conditions approved by the authority”.

SECTION 10. Section 10 of HB 469 amends Section 58-27-26(A) to require that “On or before November 30, 2026 and on or before November 30 of each subsequent year, the authority shall provide a report concerning the status of its projects to the legislative finance committee.” Section 10 also re-letters and re-numbers the subsections of Section 58-27-26.

SECTION 11. Section 11 of HB 469 provides: “On July 1, 2026 the terms of the voting members of the border authority as of June 30, 2026 shall end, and the voting members appointed pursuant to Section 2 of this act shall be installed as voting members of the authority.”

SECTION 12. Section 12 of HB 469 repeals Section 58-27-7 of the Border Development Act, which pertains to the existence and membership of an Executive Committee of the border authority.

SECTION 13. Section 13 of HB 469 provides an effective date of the provisions to be adopted of July 1, 2025.

FISCAL IMPLICATIONS

N/A

SIGNIFICANT ISSUES

The new language proposed for Section 58-27-4(D) references “members of the authority appointed by the governor *pursuant to Subsection B* of this section” (emphasis added) whereas proposed Subsection B will provide for no members to be appointed by the governor. Rather, as amended Section 58-27-4(B) would read that “The lieutenant governor shall serve as a nonvoting ex-officio member [of the authority].” The language in Section 58-27-4(D) should instead read “members of the authority appointed by the governor *pursuant to Subsection C* of this section.”

PERFORMANCE IMPLICATIONS

None.

ADMINISTRATIVE IMPLICATIONS

None.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Other bills may have a relationship to HB 469, including:

HB 19 Trade Ports Development Act

This bill may be pertinent to HB 469 and to the Border Development Act (which deals extensively with ports of entry) generally because HB 19 would provide legislation defining terms and permitting public-private partnerships relative to the development of “trade ports.” *Cf. e.g.*, Section 58-27-3(D) (defining “port of entry”). It also creates a trade port advisory committee, identifies the members of that committee, establishes staggered terms of service for committee members, and has more detailed provisions

relative to service on the trade port advisory committee that may be helpful in evaluating HB 469.

HB 141 General Appropriations Act of 2025

This bill includes a statement of the purpose of border development of the border authority and specifies the appropriation and breakdown of the appropriation for the border authority.

HB 450 Capital Outlay Projects (Section 5 appropriation to the border authority)

This bill includes a an appropriation of \$1.7 million to the border authority “to plan, design, construct, and equip a water storage tank at the Columbus port of entry in Luna Count.”

SB 442 General Appropriations Act of 2025

This bill includes a statement of the purpose of border development of the border authority and specifies the appropriation and breakdown of the appropriation for the border authority.

Potential conflict with SB 257, which would require the state to construct a border wall between the U.S. and the United Mexican States.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS

See Significant Issues above.