

<b>LFC Requester:</b>	<b>Hilla</b>
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**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**

**[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto: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:** 1/23/2025 *Check all that apply:*  
**Bill Number:** SB83 Original  Correction   
 Amendment  Substitute

<b>Sponsor:</b>	Mimi Stewart	<b>Agency Name and Code Number:</b>	NMED 667	
<b>Short Title:</b>	Innovation in State Government Fund	<b>Person Writing</b>	Michelle Miano	
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
1,250	1,250	nonrecurring	Innovation in State Government

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
0	0	0	N/A	N/A

(Parenthesis ( ) indicate revenue decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	0	0	0	0	N/A	N/A

(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: (Related to 2025 SB48) Transfers \$10 million from the General Fund to the Innovation in State Government Fund which is created to be appropriated to state agencies to create master plans and increase agency capacity to achieve (1) net-zero emissions, (2) implement sustainable economic policies, (3) provide technical support to entities that apply for grants and other funding that seek to address climate change, or (4) implement, enable or reduce barriers to implementing climate change policy.

The money in the Innovation in State Government Fund is then appropriated to the environment department (\$2.5 million), and other state agencies for use in fiscal years 2026 and 2027.

#### **FISCAL IMPLICATIONS**

\$2.5 million is appropriated from the innovation in state government fund to NMED for expenditure in fiscal years 2026 and 2027.

#### **SIGNIFICANT ISSUES**

This could assist in implementing the CTFP (Clean Transportation Fuel Program) when regulations are approved by the EIB (Environmental Improvement Board) as required by the Clean Transportation Fuel Standard bill passed by the NM Legislature and signed by Gov. Michelle Lujan Grisham in 2024; assist in implementing the NM Vehicle Emissions Standards (Clean Cars and Trucks Programs); and assist in implementing additional climate actions identified in the CCAP (Climate Change Action Plan) to be developed by NMED and EMNRD as required by the CPRG (Climate Pollution Reduction Grant) awarded to NMED in 2023 through 2027.

#### **PERFORMANCE IMPLICATIONS**

None

#### **ADMINISTRATIVE IMPLICATIONS**

The bill would create a short-term effect of increasing available funding, which could be used to hire additional FTEs or pay consultants to do the work outlined above, or a combination. At least one or two additional FTEs would need to be hired to oversee contractors.

#### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

None identified

#### **TECHNICAL ISSUES**

None identified

## **OTHER SUBSTANTIVE ISSUES**

Global climate models project an average temperature increase across New Mexico of 5° to 7° F over the next 50 years. Other primary impacts are decreased water supply (partly driven by thinner snowpacks and earlier spring melting), lower soil moisture levels, increased frequency and intensity of wildfires, and increased competition and demand for scarce water resources. (Bulletin 164 — Climate Change in New Mexico Over the Next 50 Years: Impacts on Water Resources; NM Bureau of Geology and Mineral Resources, 2022).

## **ALTERNATIVES**

Increase the recurring general appropriation to NMED or create a standard special appropriation to NMED to achieve the same purposes (1) net-zero emissions, (2) implement sustainable economic policies, (3) provide technical support to entities that apply for grants and other funding that seek to address climate change, or (4) implement, enable or reduce barriers to implementing climate change policy.)

## **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

NMED will have fewer resources to implement its greenhouse gas reduction programs, unless the same amount of money is appropriated in one of the ways outlined under Alternatives, directly above.

## **AMENDMENTS**

Pg. 3, lines 21-25. Suggest the same definition of greenhouse gas as proposed in SB4: *“means gaseous compounds that absorb infrared radiation emitted from the earth's surface and trap heat in the earth's atmosphere, including carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, nitrogen trifluoride and sulfur hexafluoride, but not including water vapor;”*

Pg. 4, lines 1-2. Suggest changing the changing the definition of “net-zero emissions” for clarity: *“means the balancing of state-wide greenhouse gas emissions with greenhouse gas removal over the course of a calendar year such that the sum is zero emissions.”*

Pg. 4, line 7. Development of natural resources for recreation, for example, could be considered a sustainable economic policy and would be excluded from funding from SB83.