

SENATE BILL 83

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

INTRODUCED BY

Mimi Stewart and Heather Berghmans

This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

AN ACT

RELATING TO PUBLIC FUNDS; CREATING THE INNOVATION IN STATE GOVERNMENT FUND FOR STATE AGENCIES TO CREATE MASTER PLANS AND INCREASE AGENCY CAPACITY TO IMPLEMENT CLIMATE CHANGE POLICY SFC→; ~~MAKING A TRANSFER FROM THE GENERAL FUND TO THE INNOVATION IN STATE GOVERNMENT FUND; MAKING APPROPRIATIONS FROM THE INNOVATION IN STATE GOVERNMENT FUND~~←SFC .

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

.229720.3AIC March 1, 2025 (9:21am)

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SECTION 1. [NEW MATERIAL] INNOVATION IN STATE GOVERNMENT

FUND.--

A. The "innovation in state government fund" is created as a nonreverting fund in the state treasury. The fund consists of distributions, appropriations, gifts, grants, donations and bequests made to the fund and income from investment of the fund. The department of finance and administration shall administer the fund. Money in the fund is subject to appropriation by the legislature only as provided in this section. Expenditures from the fund shall be by warrant of the secretary of finance and administration pursuant to vouchers signed by the secretary or the secretary's authorized representative.

B. Money in the fund may be appropriated to state agencies to create master plans and increase agency capacity to:

- (1) achieve net-zero emissions;
- (2) implement sustainable economic policies;
- (3) provide technical support to entities applying for grants and other funding that seek to address climate change; or
- (4) implement, enable or reduce the barriers to implementing climate change policy.

C. Money in the fund may be expended in the event that general fund balances, including all authorized revenues and transfers to the general fund and balances in the general

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fund operating reserve, the appropriation contingency fund and the tax stabilization reserve, will not meet the level of appropriations authorized from the general fund for a fiscal year. In that event, to avoid an unconstitutional deficit, the legislature may appropriate from the fund to the general fund only in the amount necessary to meet general fund appropriations for that fiscal year and only if the legislature has authorized transfers from the appropriation contingency fund, the general fund operating reserve and the tax stabilization reserve that exhaust those fund balances.

D. By June 30 of each year, a state agency that receives funding from the fund shall submit a report and budget to the department of finance and administration showing how the funds will be expended in support of the authorized purposes. The report shall also include:

(1) justification of any proposed changes to the agency's program structure pursuant to Section 6-3A-4 NMSA 1978, and any approval or denial of the changes pursuant to that section, as well as the justification for the decision; and

(2) if an agency has received an appropriation from the government results and opportunity program fund for a master plan created pursuant to Subsection B of this section and has or is expected to make a request to expand the purpose of the appropriation, justification for such request.

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E. As used in this section:

(1) "greenhouse gas" means a gas or gaseous compound that contributes to the greenhouse effect by absorbing infrared radiation, including carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, nitrogen trifluoride and sulfur hexafluoride;

(2) "net-zero emissions" means allowable direct emissions of greenhouse gases that are fully offset; and

(3) "sustainable economic policies" means policies to promote:

(a) the addition of new jobs statewide and the replacement of jobs that rely on the extraction or development of natural resources; and

(b) diversifying the state's revenue sources to replace the revenue generated from the natural resource extraction sector, including policies that promote economic development; investment of state revenue; infrastructure development; determining alternative funding sources for education, hospitals and other social services; and long-term economic growth for the state."

SFC → ~~SECTION 2. TRANSFER. --- Ten million dollars (\$10,000,000) is transferred from the general fund to the innovation in state government fund.~~

~~SECTION 3. APPROPRIATIONS. ---~~

~~A. Two million five hundred thousand dollars~~

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~~(\$2,500,000) is appropriated from the innovation in state government fund to each of the following agencies for expenditure in fiscal years 2026 and 2027 to carry out the purposes of Section 1 of this act, and any unexpended or unencumbered balances remaining at the end of fiscal year 2027 shall revert to the innovation in state government fund:~~

- ~~(1) the department of environment; and~~
- ~~(2) the energy, minerals and natural resources department.~~

~~B. One million dollars (\$1,000,000) is appropriated from the innovation in state government fund to each of the following agencies for expenditure in fiscal years 2026 and 2027 to carry out the purposes of Section 1 of this act, and any unexpended or unencumbered balances remaining at the end of fiscal year 2027 shall revert to the innovation in state government fund:~~

- ~~(1) the department of transportation;~~
- ~~(2) the economic development department;~~
- ~~(3) the workforce solutions department;~~
- ~~(4) the public regulation commission; and~~
- ~~(5) the state land office.~~ ←SFC