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## FISCAL IMPACT REPORT

<b>SPONSOR</b>	<u>Zamora/Garcia, H</u>	<b>LAST UPDATED</b>	<u>2/27/23</u>
	Restricting Local Government Fuel Retailer	<b>ORIGINAL DATE</b>	<u>2/27/23</u>
<b>SHORT TITLE</b>	<u>Regulation</u>	<b>BILL NUMBER</b>	<u>House Bill 430</u>
		<b>ANALYST</b>	<u>J. Torres</u>

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

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
	No fiscal impact	Indeterminate but minimal	Indeterminate but minimal			

Parentheses ( ) indicate expenditure decreases.  
 \*Amounts reflect most recent version of this legislation.

### Sources of Information

LFC Files

Responses Received From  
 NM Department of Transportation (DOT)

No Response Received  
 Department of Finance and Administration (DFA)  
 NM Counties (NMC)  
 NM Council of Governments (MRCOG)  
 NM Municipal League (NMML)

## SUMMARY

### Synopsis of House Bill 430

House Bill 430 intends to prevent local government, special districts, and political subdivisions from enacting legislation prohibiting the specified actions pertaining to fuel retailers or fuel related transport infrastructure.

The proposed Subsection A provides that:

- A county, municipality, special district or other political subdivision of the state shall not:
- (1) adopt a law, ordinance, regulation, policy or resolution that prohibits the siting, development or redevelopment of a fuel retailer or the related transportation infrastructure that is necessary to provide fuel to a fuel retailer within the entirety of the jurisdictional boundary of the county, municipality, special district or political subdivision;
  - (2) adopt or apply a law, ordinance, regulation, policy or resolution that results in the de

facto prohibition of a fuel retailer or the related transportation infrastructure that is necessary to provide fuel to a fuel retailer within the entirety of the jurisdictional boundary of the county, municipality, special district or political subdivision; or

The bill is also intended to prevent de facto legislation prohibiting said actions within local government, special district, or political subdivision boundaries.

(3) require a fuel retailer to install or invest in a particular kind of fueling infrastructure, including electric vehicle charging stations.

In addition, these entities may not require fuel retailers to invest in any particular fueling infrastructure, including electric vehicle charging stations.

Subsection B clarifies that:

This section does not preempt a county, municipality, special district or other political subdivision of the state from adopting and implementing a law, ordinance, regulation, policy or resolution that is not otherwise inconsistent with general law relating to the siting, development or redevelopment of fuel retailers or related transportation infrastructure necessary for them to provide fuel, if such law, ordinance, regulation, policy or resolution does not result in a de facto prohibition of fuel retailers or related transportation infrastructure necessary to provide fuel to fuel retailers from being sited, developed or redeveloped within zoning or land use classifications where such infrastructure is consistent with other allowable uses.

The bill is not intended to preempt the specified localities from implementing legislation consistent with “general law” pertaining to existing siting, development, and redevelopment requirements, provided that it does not result in a de facto prohibition of fuel retailers and related transportation infrastructure within zoning or land use classifications where such infrastructure is consistent with other allowable uses.

The bill also defines: “fuel retailer” and “related transportation infrastructure.”

The apparent purpose of the bill is to prevent local governments, districts and other political state subdivisions from preempting state or federal law pertaining to fuel retailers and related transportation infrastructure.<sup>1</sup>

The effective date of this bill is July 1, 2023.

## FISCAL IMPLICATIONS

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<sup>1</sup> <https://fastdemocracy.com/bill-search/fl/2021/bills/FLB00022447/> Pertaining to similar 2021 Florida House Bill 839. <https://www.theguardian.com/commentisfree/2022/jun/21/gas-stations-us-cities-fuel-prices> *Cities are banning new gas stations. More should join them.*, Nathan Taft, Tue 21 Jun 2022 06.22 EDT.

There are no noted fiscal implications.

## **SIGNIFICANT ISSUES**

NMDOT states:

HB430 forbids counties, municipalities, special districts, or other political subdivisions of the state from adopting law, ordinance, regulation, policy, or resolution that would prohibit the siting, development, or redevelopment of a fuel retailer or related transportation infrastructure necessary to provide fuel from a fuel retailer within the entirety of its jurisdictional boundary. HB430 otherwise permits law, ordinance, regulation, policy, or resolution, not otherwise inconsistent with general law, if this does not result in the de facto prohibition of said siting, development, or redevelopment. HB430 does not define “political subdivision,” but is not interpreted to mean the NMDOT. On this point alone, HB430 imposes no impact on NMDOT operations. That said, the definition of “fuel retailer” and “related transportation infrastructure” are broadly worded and could apply to both gasoline and electricity as forms of “power” for vehicles. In this vein, HB 430 does provide NMDOT some protection as it works statewide to build infrastructure for electric vehicles.

JT/al/ne