

LFC Requester:

**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:** January 29, 2025 *Check all that apply:*  
**Bill Number:** HB158 Original  Correction   
 Amendment  Substitute

**Sponsor:** Rep Debbie M. Sarinana **Agency Name and Code** Office of Military Base Planning (49100)  
**Short Title:** Military Base Planning and Impact Act **Number:** \_\_\_\_\_ **Person Writing** Megan A. Cornett  
**Title:** \_\_\_\_\_ **Phone:** 505-469-4341 **Email** Megan.cornett@ombp.nm.gov

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
0	12,000	Nonrecurring	General Fund

(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
<b>Total</b>		250	250	750		

(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: House Bill 158 (HB 158) creates the Military Base Impact Act and the Military Base Impact Fund and appropriates \$12 million in FY26, allowing the Military Base Planning Commission to provide grants to defense communities for infrastructure projects.

HB 158 provides that grants from the fund may be made for project construction, planning and design or purchase of interests in land for new facilities or rehabilitation or renovation of existing facilities. The military office is required to consider a number of factors, including the impact a project will have on the job market, the extent to which the defense community has used its own resources, the probability that the project will expand or retain a military community, and the amount of federal financial assistance will be leveraged by the grant.

The bill limits total annual grants from the fund to \$4 million and single recipient projects to \$2 million. The military office is required to report annually to the governor and the interim legislative committee tasked with examining economic development issues on the status of the fund and success of the projects.

HB 158 also repeals the sunset of the Office of Military Base Planning and Support and the Military Base Planning Commission.

#### **FISCAL IMPLICATIONS**

This bill appropriates \$12 million from the General Fund to the Military Base Impact Fund, which is nonreverting.

#### **SIGNIFICANT ISSUES**

#### **PERFORMANCE IMPLICATIONS**

#### **ADMINISTRATIVE IMPLICATIONS**

HB 158 creates an additional fund that will be administratively overseen by the Economic Development Department and requires a report to the governor and interim legislative committee no later than 30 November for each year of the fund.

As written, the bill requires the Office of Military Base Planning and Support to conduct studies or economic analyses to support the Commission's approval of grants from the fund; thereby imposing an estimated \$250,000 increase to the annual operating budget of the office annually for the duration of the fund.

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

None

## **TECHNICAL ISSUES**

None

## **OTHER SUBSTANTIVE ISSUES**

Throughout the bill are references to “base realignment and closure” which is dated language and limits the focus of the fund, the commission and the office to support defense communities.

## **ALTERNATIVES**

Removing the requirement for studies and economic analyses and associated operating budget increases would ease the administrative burden. References to “base realignment and closure” could be removed and replaced with language that allows the fund to be used to retain current base missions and attract new missions and associated economic benefit.

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

Without a specified fund to provide grants to communities near the state’s four military installations, local governments will continue to struggle to generate the matching funds required to address shortfalls to retain and attract military missions.

## **AMENDMENTS**