

LFC Requester:

Jeannae Leger

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO****[AgencyAnalysis.nmlegis.gov](https://www.nmlegis.gov/AgencyAnalysis) and email to 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: February 12, 2025 *Check all that apply:*
Bill Number: HB358 Original Correction
 Amendment Substitute

Sponsor: Randall Pettigrew **Agency Name and Code Number:** Office of Broadband Access and Expansion - 36100
Interim Administrative Rule **Person Writing:** Cass Brulotte
Oversight Committee **Email:** cassandra.brulotte@connect.nm.gov
Short Title: _____ **Phone:** 505-699-5260 : _____

SECTION II: FISCAL IMPACT**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
\$2,000	0	Nonrecurring	General

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
0	0	0		

(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	Unknown	Unknown	Unknown			

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: N/A
Duplicates/Relates to Appropriation in the General Appropriation Act: HB2

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: This bill creates an Administrative Rule Oversight Committee, comprised of legislators, that will meet monthly when the legislature is not in session.

The Committee is empowered to:

- Review executive agency rules, and fiscal impact prior to the public hearing; and
- Make recommendations on the rule to the agency.

This bill further amends the State Rules Act to require the agency prepare a fiscal impact statement to present to the Committee and post in the registrar.

FISCAL IMPLICATIONS

Complex technical rulemaking may require the hiring of a contractor to create fiscal impact statements that address private sector impact.

SIGNIFICANT ISSUES

Any member of the public, including legislators, are currently empowered to review proposed agency rules, submit written comments, make oral comments at public rule hearings, or otherwise inquire as to the information outlined in Section 6 of this bill.

PERFORMANCE IMPLICATIONS

This bill creates a significant resource burden on the State with no discernable improvement to the rule-making process.

The existing State Rules Act ensures that:

- any person, including private businesses, government agencies or legislators, can review proposed rules;
- any person, including private businesses, government agencies or legislators, can raise concerns impact of a proposed rule in the formal rulemaking process. These concerns can be made in writing or orally, and with the support of any analysis, report, or other relevant information the person chooses to bring to the attention of the hearing officer;
- any person, including private businesses, government agencies or legislators, can make recommendations on the rule to the agency during the formal rule-making process.

Therefore, the Administrative Rule Oversight Committee will merely mandate engagement by legislators in the rule-making process, which is currently done on a voluntary basis.

ADMINISTRATIVE IMPLICATIONS

Rulemaking is done throughout the year, and can be needed on an emergency basis. The limited

availability of the Committee will add additional delay to the already prolonged rule-making process.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

The bill envisions that proposed rules and fiscal impact statements are submitted to the Committee after the rule has been properly noticed, but before the rule hearing.

However, the bill is silent on what occurs should Committee staff fail to complete a rule analysis, or the Committee members fail to make recommendations. Specifically, does the Legislature anticipate the rule-making process would be paused until such time as the statutory requirements are met?

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The administrative rules will continue to be developed through the procedures, criteria, standards, and public involvement processes dictated by the relevant statutes.

AMENDMENTS