

<b>LFC Requester:</b>	<b>Jeannae Leger</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:** 2-13-2025 *Check all that apply:*  
**Bill Number:** HB 358 Original  Correction   
 Amendment  Substitute

**Sponsor:** Rep. Randall T. Pettigrew **Agency Name and Code** NM Gaming Control Board - 465  
**Short Title:** Interim Administrative Rules Oversight Committee **Number:** \_\_\_\_\_  
**Person Writing** Michelle Pato  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
	(\$2,000.000)	Recurring	General

(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>		(\$2.000 - \$6.000)	(\$2.000 - \$6.000)	(\$4.000 - \$12.000)	Recurring	Operating

(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:

HB 358 proposes to create an Interim Administrative Rule Oversight Committee to review rule changes proposed by executive agencies. It includes several additional steps to and close oversight of the legislature over the executive rulemaking process.

#### **FISCAL IMPLICATIONS**

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

The bill would appropriate \$2,000,000 from the general fund to fund the new committee.

Additionally, the level of oversight and additional notices and potential repeated rounds of rulemaking will increase the cost of the rulemaking process for executive agencies. There exists the potential that agencies will need to go through the process more than once before finalizing a rule change.

#### **SIGNIFICANT ISSUES**

The rulemaking process is already long and very detail-oriented. It requires ample notice to the public and the opportunity for the public to submit comments in written form, in person, or via telephonic/video appearance. This will likely significantly extend the length of time to effectuate executive agency rule changes. Currently, if proposed rule changes proceed through the process quickly, it takes at least three to four months until the process is completed. Oftentimes, rules need to be changed quickly to comply with statutory changes effectuated by our legislative branch.

#### **PERFORMANCE IMPLICATIONS**

Judicial processes already exist to review the validity of challenged rules.

#### **ADMINISTRATIVE IMPLICATIONS**

The process will be much longer and it may need to be repeated which will take significant time from the state employees tasked with effectuating rule changes. No appropriation is offered in the bill for the additional strain on agency resources.

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

#### **TECHNICAL ISSUES**

Enactment of this bill would create several conflicts with the State Rules Act and associated rules which would also have to be changed.

## **OTHER SUBSTANTIVE ISSUES**

## **ALTERNATIVES**

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

Status Quo

## **AMENDMENTS**