

<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:** Randall T. Pettigrew **Agency Name and Code** 46900  
**Short Title:** Legis affairs, create interim admin rule oversight comm, require fiscal impact statement if rule implementation cost +1mil. **Number:** \_\_\_\_\_  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(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>						

(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: The bill creates a legislative interim admin rule oversight committee to review executive agency proposed rules and make recommendations to the proposing agency. It would require a fiscal impact statement be provided for every proposed rule whose implementation is estimated to be greater and one million dollars.

#### **FISCAL IMPLICATIONS**

If codified into law, this bill will add a new and significant component to rule making process by adding legislative review to the rule making process. If personnel involved in rule making are required to attend committee hearings and address their concerns, additional funding for travel may be necessary for agencies. If agencies need to revisit proposed rules based on legislative concerns, as well as agency stakeholder concerns, the administrative rule making process will take a longer period of time and siphon resources away from other tasks the agency must complete. This is especially so for smaller agencies.

#### **SIGNIFICANT ISSUES**

Respectfully, this bill essentially lessens the authority and autonomy of state agencies, with their specific knowledge and legislative authority, to craft administrative rules to further the legislative intent behind applicable statutes. Again, and will all due respect, this bill increases the chance that political considerations will take greater precedence in administrative rules rather than agency expertise, facts, and specialized knowledge.

Agencies are well aware their administrative rules cannot go beyond the applicable statutes and must work to further the legislative intent. If there are issues about whether administrative rules are in violation of that requirement, the proper venue for resolving such disputes is the courts, not the legislature. The bill does not address how emergency rules are to be handled by this committee.

#### **PERFORMANCE IMPLICATIONS**

Respectfully, in the event this committee in essence supplants its views on administrative rules over that of the administrative agency, with its expertise and specialized knowledge, there is the possibility of administrative rules being put into effect which reflect a lack of understanding of the mandate of the agency and the specialized knowledge of the agency and the impacts of its work.

#### **ADMINISTRATIVE IMPLICATIONS**

Respectfully, this bill essentially lessens the authority and autonomy of state agencies, with their specific knowledge and legislative authority, to craft administrative rules to further the legislative intent behind applicable statutes. Again, and will all due respect, this bill increases the chance that political considerations will take greater precedence in administrative rules rather

than agency expertise and specialized knowledge.

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

### **TECHNICAL ISSUES**

### **OTHER SUBSTANTIVE ISSUES**

### **ALTERNATIVES**

Respectfully, the logical alternative is the status quo where the legislature crafts the law, administrative agencies carry out the law and legislative intent, part of which is via their administrative rules, and the judiciary resolves disputes involving statutory and administrative laws.

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

The status quo will remain in place which appears to work well given agencies are empowered to craft administrative rules to further applicable legislation and legislative intent. The legislature can focus on its mandate to craft statutory law, and administrative agencies can focus on their task of carrying out the law and legislative intent, an important part of which is crafting administrative rules.

### **AMENDMENTS**

The bill should include a definition of what is meant by “executive agency”.