

LFC Requester:	Jeannae Leger
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov 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: Feb. 12, 2025 *Check all that apply:*
Bill Number: HB 358 Original Correction
 Amendment Substitute

Sponsor: Rep. Randall T. Pettigrew **Agency Name and Code** State Land Office - 539
Short Title: INTERIM ADMIN. RULES OVERSIGHT COMMITTEE **Number:** _____
Person Writing Sunalei Stewart **Phone:** 505-827-5755 **Email** sstewart@nmslo.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
None	\$2 million - LCS	Nonrecurring	General Fund

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
None	None	None		

(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	None	Indeterminate	Indeterminate		Recurring	Land Maintenance Fund

(Parenthesis () Indicate Expenditure Decreases)

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

HB 358 would create a 12-member interim legislative committee to (1) review proposed executive agency rules; (2) make recommendations on the proposed rules; and (3) recommend changes to the authorizing statutes of a rule to clarify legislative intent.

The new committee would have authority to request that the agency prepare a fiscal impact statement not otherwise required under the State Rules Act amendment contained in the bill.

The bill would amend the State Rules Act to require that an agency publishing a proposed rule include an estimate of the cost of implementing the proposed rule; provided that the agency shall include a fiscal impact statement pursuant to a new Section 14-4-5.9 NMSA 1978 if the fiscal impact of implementing the proposed rule is estimated to be greater than one million dollars (\$1,000,000). A new section of the State Rules Act would specify various requirements for fiscal impact statements.

The bill would appropriate \$2,000,000 from the General Fund to the Legislative Council Service for expenditure in FY 2026 to staff the new committee and pay other incidental costs.

The bill would have an effective date of July 1, 2025.

FISCAL IMPLICATIONS

On average, the New Mexico State Land Office (NMSLO) does less than one rulemaking per year. To the extent that the NMSLO does engage in rulemaking, the bill may increase the cost of rulemaking in an undetermined but minimal amount.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

As noted above, the administrative burdens associated with the limited amount of rulemaking done by the NMSLO would increase. Not knowing the nature of future rulemaking, or the extent to which the proposed oversight committee would require engagement on a particular rule, the NMSLO cannot at this time estimate whether the increased administrative burdens would require additional resources.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

The general requirement that an agency estimate “the cost of implementing the proposed rule” is

vague, and it is not clear how that estimate differs from the fiscal impact statement required only in certain circumstances.

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS