

LFC Requester: _____

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: 2.12.25 *Check all that apply:*
Bill Number: HB 358 Original Correction
 Amendment Substitute

Sponsor: Randall T. Pettigrew **Agency Name and Code** OFRA 6800
Short Title: INTERIM ADMIN. RULES OVERSIGHT COMMITTEE **Number:** _____
Person Writing Lisa Fitting **Phone:** 505-538-0134 **Email** lisa.fitting@ofra.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
	\$2M	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
Total						

(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 creates the Interim Administrative Rule Committee, requires legislative review of executive agency proposed rules, and amends the State Rules Act notice of proposed rulemaking to include a fiscal impact statement if the estimated cost of implementing a proposed rule is greater than one million dollars. The bill also makes an appropriation of \$2M in FY26.

FISCAL IMPLICATIONS

HB 358 makes a non-recurring, reverting appropriation of \$2M for FY26 to establish the committee. The bill requires The bill requires Legislative Council Service (LCS) to hire no more than four staff members for the oversight committee. The classification of the positions is not specified, therefore the exact fiscal impact of these hires to the LCS cannot be calculated.

SIGNIFICANT ISSUES

- Timeliness of review—this bill would delay the promulgation process based on legislative session and/or legislative committee review time.
- Currently rules can (and must) be promulgated at any point during the year—not just during legislative session.
- This bill erodes the power and authority of Cabinet Secretaries to promulgate rules within their purview and potentially conflicts with NMSA 9-2A-7. It is unclear how this bill would interact with the State Rules Act, NMSA 14-4-1.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

Executive agencies would be required to create fiscal impact reports for proposed rules estimated to cost greater than \$1M to implement, or upon request of the committee when the proposed rule is estimated to cost less than \$1M to implement.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

Status quo

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