

<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:** 2.17.25 *Check all that apply:*  
**Bill Number:** HB 358 Original  Correction   
 Amendment  Substitute

**Sponsor:** Randall T. Pettigrew **Agency Name and Code:** New Mexico Department of Homeland Security and Emergency Management-79500  
**Short Title:** Interim Admin. Rules Oversight Committee **Person Writing:** Matthew Stackpole  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

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

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
\$0	\$0	\$0	NA	NA

(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>	\$0	\$2,000	\$0	\$2,000	Nonrecurring	LCS

(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 establishes the Interim Administrative Rule Oversight Committee to review executive agency rulemaking. The committee will provide legislative oversight of proposed rules, requiring a fiscal impact statement when the cost of implementation exceeds \$1,000,000. Additionally, HB 358 appropriates \$2 million from the General Fund to support the committee's operations.

#### **FISCAL IMPLICATIONS**

HB 358 provides \$2 million for the creation and functioning of the committee, covering staffing and administrative costs. There is no direct fiscal impact on DHSEM operations, budget, or revenue. However, there may be indirect fiscal implications if DHSEM regulations become subject to additional oversight, potentially lengthening rulemaking timelines and requiring more administrative resources.

#### **SIGNIFICANT ISSUES**

HB 358 may slow down essential rulemaking (despite the exemption for emergency rules) due to the additional legislative review steps and required fiscal impact statement, therein impacting DHSEM's ability to act swiftly in response to disasters and security threats.

#### **PERFORMANCE IMPLICATIONS**

Please see above. Also, the provision allowing the committee to request a fiscal impact statement at its discretion, even if the rule does not meet the \$1 million threshold, introduces a level of uncertainty and potential administrative burden. This discretion could lead to inconsistent application of fiscal review requirements, making it difficult for agencies to anticipate compliance obligations. Perhaps a more structured or clearly defined threshold would better help ensure predictability in the rulemaking process.

#### **ADMINISTRATIVE IMPLICATIONS**

Please see Significant Issues.

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

NA

#### **TECHNICAL ISSUES**

It doesn't seem unlikely that there could be possible legal challenges regarding the committee's authority to interfere in agency rulemaking.

#### **OTHER SUBSTANTIVE ISSUES**

NA

#### **ALTERNATIVES**

NA

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

Executive agencies will retain primary authority for rulemaking, without additional legislative review of regulations.

**AMENDMENTS**