

LFC Requester:

Hilla, Emily

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: 2/20/2025

Check all that apply:

Bill Number: HB 363

Original Correction

Amendment Substitute

Agency Name

and Code

Secretary of State - 370

Number:

Sponsor: Meredith A. Dixon
Joshua N. Hernandez

Person Writing

Analysis:

Lindsey Bachman

Short

DECENTRALIZED
UNINCORPORATED
NONPROFIT ACT

Email

Title:

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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
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 363 creates the Decentralized Unincorporated Nonprofit Association Act.

FISCAL IMPLICATIONS

The bill requires that persons interested in forming a decentralized unincorporated nonprofit association file information with the Secretary of State’s Office (SOS). The SOS estimates these changes can be done without significant costs.

HB 363 does not indicate specific fees associated with these filings. However, pursuant to 53-2-1 NMSA 1978, the legislature has contemplated fees for various different types of corporate filings including incorporation documents, amendments, and intentions to dissolve. Nonprofit corporations are individually required to pay a fee of \$25 upon filing. These fees go to the General Fund. Outlining a \$25 fee associated with filings for these new associations would bring them into alignment with other entities.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

The SOS will have additional administration duties associated with education, compliance, and enforcement. The full funding of SOS’s budget request is necessary to keep up with the volume of work associated with all of the statutory duties supported by the office.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS