

LFC Requester:	Emily Hilla
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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: Jan. 23, 2025 *Check all that apply:*
Bill Number: SB 83 Original Correction
 Amendment Substitute

Sponsor: Sen. Mimi Stewart **Agency Name and Code** State Land Office – 539
Short Title: INNOVATION IN STATE GOVERNMENT FUND **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	\$1 million – State Land Office	Nonrecurring	General Fund

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
No Fiscal Impact	Indeterminate positive	Indeterminate positive	Recurring	Land Maintenance Fund

(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	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact	None		Land Maintenance

						Fund
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(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:

This bill would create an Innovation in State Government Fund as a nonreverting fund administered by the Department of Finance and Administration, into which \$10 million from the General Fund would be transferred.

Funds would be appropriated to state agencies to create master plans and increase agency capacity to: (1) achieve net-zero emissions; (2) implement sustainable economic policies; (3) provide technical support to entities applying for grants and other funding that seek to address climate change; or (4) implement, enable or reduce the barriers to implementing climate change policy. The bill would make appropriations from the Innovation in State Government Fund for expenditure in FY 2026-2027: (i) \$2.5 million each to the Environment Department and the Energy, Minerals and Natural Resources Department; (ii) \$ 1 million each to (1) the Department of Transportation; (2) the Economic Development Department; (3) the Workforce Solutions Department; (4) the Public Regulation Commission; and (5) the State Land Office.

FISCAL IMPLICATIONS

The bill would make available to the State Land Office \$1 million in additional funding for FY 2026 and FY 2027 for the purposes set forth. The State Land Office recently established a grant-writing position to increase its capacity to seek and administered grant funds that may be available for projects addressing climate change. The additional funding would increase the agency’s ability to implement polices that addresses climate change in a strategic and proactive manner, while also fostering additional grant opportunities. In addition, to the extent that the additional funds allow the agency to expand and diversify low-carbon leasing opportunities, there could be an increase in State Land Office leasing revenues in an undetermined amount.

SIGNIFICANT ISSUES

The State Land Office is committed to addressing climate change and advancing sustainable economic policies in its land management decisions. However, like many state agencies, the State Land Office often lacks the capacity to dedicate sufficient resources toward planning, technical assessments, grant writing and other efforts that are key to strategically and effectively implementing policies related to climate change. This legislation would greatly benefit the agency in building this capacity.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS