

LFC Requester:

Julisa Rodriguez

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

[AgencyAnalysis.nmlegis.gov](https://www.legis.nm.gov/AgencyAnalysis) 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:** 1/30/2025*Check all that apply:***Bill Number:** SJM1Original Correction Amendment Substitute **Sponsor:** Padilla, Michael**Agency Name
and Code**Office of Superintendent of
Insurance - 440**Short Title:** Forest Restoration & Economic**Number:**Person Writing Tim VigilDevelopment**Phone:** 505 690-0651**Email** Timothy.vigil@osi.nm**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
N/A	N/A	N/A	N/A

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
N/A	N/A	N/A	N/A	

(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	N/A	N/A	N/A	N/A		

(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: Senate Joint Memorial 1 (SJM1) requests that the Energy, Minerals and Natural Resources (“EMNRD”) and the Economic Development Department (“EDD”) study and make recommendations to expedite forest restoration. The memorial acknowledges the high wildfire risk in NM and the costliness of processing wood byproducts removed as the result of forest and watershed restoration activities that are necessary to reduce wildfire risk. The memorial requests that the EMNRD and EDD study and develop recommendations regarding the development of wood products business opportunities; study the need to increase the economic viability of the wood utilization business sector, including state incentives, legal actions, financial mechanisms, and partnerships; study how the costs of removing and transporting wood byproducts from remotely located forests to regional processing sites may be reduced; identify other states' programs, policies, laws, and practices that might be adapted to NM's unique environmental and economic requirements; and discuss new or existing NM programs and incentives that can be used toward wood utilization industry expansion, to attract capital investment, to create jobs, and to ensure a strong return on investment to local and state contributors based on performance-based evaluations. The memorial sets a deadline of September 1, 2025, within which the study and recommendations must be presented to the appropriate interim legislative committees on natural resources and economic development.

FISCAL IMPLICATIONS

None.

SIGNIFICANT ISSUES

OSI notes that the September 1, 2025, deadline is a time span that might inhibit a more robust study with recommendations.

PERFORMANCE IMPLICATIONS

None identified.

ADMINISTRATIVE IMPLICATIONS

None identified.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The study and recommendations about how to expedite forest restoration stand to provide the state with valuable insights related to wildlife recovery. Rates of wildfire recovery could ultimately reduce insurance rates for New Mexicans. If the study is not undertaken, opportunities to lower insurance rates for consumers will be unrealized.

AMENDMENTS

Consider amending the deadline to allow more time for the study and recommendations.