Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the Legislature. LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

FISCAL IMPACT REPORT

		LAST UPDATED	
SPONSOR Gonz	ales	ORIGINAL DATE	
		BILL	
SHORT TITLE	Exempt NM From Daylight Saving Tin	me NUMBER	Senate Bill 191

ANALYST Hanika-Ortiz

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
No fiscal impact	No fiscal impact	No fiscal impact			

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Relates to Senate Bill 287

Sources of Information

LFC Files

<u>Responses Received From</u> Department of Public Safety (DPS) New Mexico Attorney General (NMAG) New Mexico Tourism Department (NMTD)

<u>No Response Received</u> New Mexico Department of Transportation (NMDOT) Energy, Minerals and Natural Resources Department (EMNRD) New Mexico Sentencing Commission (NMSC)

SUMMARY

Synopsis of Senate Bill 191

Senate Bill 191 (SB191) exempts New Mexico from the federal law that requires advancing time for daylight saving starting January 1, 2024, and requires the state to observe Mountain Standard Time throughout the year.

This bill does not contain an effective date and, as a result, would go into effect June 16, 2023, (90 days after the Legislature adjourns) if signed into law.

Senate Bill 191 – Page 2

FISCAL IMPLICATIONS

SB191 has no fiscal impact on any state agency.

SIGNIFICANT ISSUES

According to NMTD, New Mexico's tourism industry has traditionally benefitted from the state's generous sunshine and outdoor activities, and many businesses are designed to operate during daylight hours exclusively to take advantage of this. Changing New Mexico's time zone to remain on MST would mean that outdoor businesses that operate in daylight hours would need to adjust their business hours to accommodate the change, and they may lose revenue due to this.

Because much of New Mexico's drive market come from the Central time zone, NMTD believes the bill could cause confusion and hardship for some markets. The same could be said for traveling between the Navajo Nation and New Mexico, given that Navajo Nation observes Daylight Saving Time each year. This has caused confusion in Arizona, a state that stays on MST all year round.

PERFORMANCE IMPLICATIONS

NMAG says SB191 does not mirror the terminology used in the federal law allowing states to opt out of Daylight Saving Time. The relevant text of 15 U.S.C. § 260a(a):

During the period commencing at 2 o'clock antemeridian on the second Sunday of March of each year and ending at 2 o'clock antemeridian on the first Sunday of November of each year, the standard time of each zone established by sections 261 to 264 of this title, as modified by section 265 of this title, shall be advanced one hour and such time as so advanced shall for the purposes of such sections 261 to 264, as so modified, be the standard time of such zone during such period; however, (1) any State that lies entirely within one time zone may by law exempt itself from the provisions of this subsection providing for the advancement of time, but only if that law provides that the entire State (including all political subdivisions thereof) shall observe the standard time otherwise applicable during that period...

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB191 relates to Senate Bill 287, which would exempt New Mexico from the reversion to standard time.

OTHER SUBSTANTIVE ISSUES

NMAG noted Congress has considered the Sunshine Protection Act, still pending, which would make Daylight Saving Time permanent if passed.

AHO/rl/hg