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HOUSE BILL 230

57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

INTRODUCED BY

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AN ACT

RELATING TO LEGISLATIVE AFFAIRS; CREATING THE INTERIM
ADMINISTRATIVE RULE OVERSIGHT COMMITTEE; REQUIRING LEGISLATIVE
REVIEW OF EXECUTIVE AGENCY PROPOSED RULES; AMENDING THE STATE
RULES ACT'S NOTICE OF PROPOSED RULEMAKING TO INCLUDE A FISCAL
IMPACT STATEMENT IF THE ESTIMATED COST OF IMPLEMENTING A
PROPOSED RULE IS GREATER THAN ONE MILLION DOLLARS (\$1,000,000);
MAKING AN APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of Chapter 2 NMSA 1978 is
enacted to read:

"[NEW MATERIAL] INTERIM ADMINISTRATIVE RULE OVERSIGHT
COMMITTEE--CREATED--APPOINTMENT.--

A. The "interim administrative rule oversight
committee" is created as a permanent joint interim committee of

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1 the legislature. The committee consists of twelve members who
2 shall be appointed as follows:

3 (1) three members shall be appointed by the
4 majority floor leader of the house of representatives;

5 (2) three members shall be appointed by the
6 minority floor leader of the house of representatives;

7 (3) three members shall be appointed by the
8 majority floor leader of the senate; and

9 (4) three members shall be appointed by the
10 minority floor leader of the senate.

11 B. The position of chair shall alternate between
12 the house of representatives and the senate and the two
13 political parties having the most members in both houses each
14 year; provided that at no time shall the political parties
15 having the most members in both houses not be represented as
16 either a chair or a vice chair.

17 C. Members shall be appointed for two-year terms
18 that shall expire on the first day of each odd-numbered year
19 regular session. The term of a member shall terminate when the
20 member ceases to be a member of the legislature. A member may
21 be removed at any time by the member's appointing authority.
22 Vacancies on the committee shall be filled for the unexpired
23 term by the respective appointing authority that makes the
24 original appointments.

25 D. The committee shall meet no less than one time

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1 per month during the interim."

2 SECTION 2. A new section of Chapter 2 NMSA 1978 is
3 enacted to read:

4 "[NEW MATERIAL] INTERIM ADMINISTRATIVE RULE OVERSIGHT
5 COMMITTEE--DUTIES--POWERS.--

6 A. The interim administrative rule oversight
7 committee shall:

8 (1) review rules proposed by an executive
9 agency;

10 (2) review committee staff analysis and
11 associated fiscal impacts of the rules at least two weeks prior
12 to the public rule hearing for the rules, except when the
13 legislature is in session;

14 (3) provide recommendations on the rules to
15 the proposing executive agency;

16 (4) recommend changes to the authorizing
17 statutes of a rule to clarify legislative intent; and

18 (5) direct the work of committee staff.

19 B. The interim administrative rule oversight
20 committee may endorse legislation as is necessary to amend or
21 repeal a statute authorizing an agency to promulgate rules."

22 SECTION 3. A new section of Chapter 2 NMSA 1978 is
23 enacted to read:

24 "[NEW MATERIAL] INTERIM ADMINISTRATIVE RULE OVERSIGHT
25 COMMITTEE--STAFF.--The legislative council service shall hire

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1 no more than four staff members for the interim administrative
2 rule oversight committee."

3 SECTION 4. A new section of Chapter 2 NMSA 1978 is
4 enacted to read:

5 "[NEW MATERIAL] INTERIM ADMINISTRATIVE RULE OVERSIGHT
6 COMMITTEE--RULE REVIEW PROCEDURES.--

7 A. The legislative council service shall distribute
8 a notice of proposed rulemaking received by an executive agency
9 pursuant to Section 14-4-5.2 NMSA 1978 to the staff and members
10 of the interim administrative rule oversight committee when a
11 notice is received. Staff of the committee shall develop a
12 written analysis of the proposed rule that shall consider:

13 (1) the proposed rule in relation to the scope
14 of the authorizing statute;

15 (2) the necessity of the proposed rule;

16 (3) the fiscal impact of the proposed rule on
17 state agencies, political subdivisions, regulated persons,
18 businesses and all other foreseeable stakeholders if a fiscal
19 impact statement is required pursuant to Section 14-4-5.2 NMSA
20 1978 or otherwise requested by the committee pursuant to
21 Subsection B of this section;

22 (4) legal implications of the proposed rule on
23 existing federal and state laws; and

24 (5) the proposing agency's compliance with
25 notice requirements provided pursuant to the State Rules Act.

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1 B. The interim administrative rule oversight
2 committee and its staff, at the request of committee members,
3 may request a fiscal impact statement from the agency proposing
4 a rule after receiving the rule even if the fiscal impact of
5 the rule does not exceed one million dollars (\$1,000,000).

6 C. The staff of the interim administrative rule
7 oversight committee shall provide to committee members the
8 written analysis and the corresponding rule at least ten days
9 prior to the committee meeting at which the proposed rule will
10 be reviewed.

11 D. The interim administrative rule oversight
12 committee shall review the proposed rule and approve
13 recommendations to be provided to the proposing agency.
14 Following a meeting at which the proposed rule is reviewed,
15 committee staff shall submit the committee's approved
16 recommendations in writing to the proposing agency during the
17 public comment period for the proposed rule as provided
18 pursuant to the State Rules Act. These written recommendations
19 shall also be submitted to the attorney general and the
20 governor.

21 E. The requirements of this section shall not apply
22 to emergency rules as provided pursuant to the State Rules
23 Act."

24 SECTION 5. Section 14-4-5.2 NMSA 1978 (being Laws 2017,
25 Chapter 137, Section 4) is amended to read:

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1 "14-4-5.2. NOTICE OF PROPOSED RULEMAKING.--

2 A. Not later than thirty days before a public rule
3 hearing, the agency proposing the rule shall provide to the
4 public and publish in the New Mexico register a notice of
5 proposed rulemaking. The notice shall include:

6 (1) a summary of the full text of the proposed
7 rule;

8 (2) a short explanation of the purpose of the
9 proposed rule;

10 (3) an estimate of the cost of implementing
11 the proposed rule; provided that the agency shall include a
12 fiscal impact statement pursuant to Section 14-4-5.9 NMSA 1978
13 if the cost of implementing the proposed rule is estimated to
14 be greater than one million dollars (\$1,000,000);

15 [~~(3)~~] (4) a citation to the specific legal
16 authority authorizing the proposed rule and the adoption of the
17 rule;

18 [~~(4)~~] (5) information on how a copy of the
19 full text of the proposed rule may be obtained;

20 [~~(5)~~] (6) information on how a person may
21 comment on the proposed rule, where comments will be received
22 and when comments are due;

23 [~~(6)~~] (7) information on where and when a
24 public rule hearing will be held and how a person may
25 participate in the hearing; and

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1 [~~(7)~~] (8) a citation to technical information,
2 if any, that served as a basis for the proposed rule, and
3 information on how the full text of the technical information
4 may be obtained.

5 B. An agency may charge a reasonable fee for
6 providing any records in nonelectronic form when provided to a
7 person pursuant to this section. An agency shall not charge a
8 fee for providing any records in electronic form when provided
9 to a person pursuant to this section.

10 C. An internet link providing free access to the
11 full text of the proposed rule shall be included on the notice
12 of proposed rulemaking.

13 D. If the agency changes the date of the public
14 rule hearing or the deadline for submitting comments as stated
15 in the notice, the agency shall provide notice to the public of
16 the change.

17 E. The state records administrator or the
18 administrator's designee shall timely publish the notice of
19 proposed rulemaking in the next publication of the New Mexico
20 register."

21 SECTION 6. A new section of the State Rules Act, Section
22 14-4-5.9 NMSA 1978, is enacted to read:

23 "14-4-5.9. [NEW MATERIAL] FISCAL IMPACT STATEMENT--
24 REQUIREMENTS.--

25 A. A fiscal impact statement required pursuant to
26 .233071.1

1 Paragraph (3) of Subsection A of Section 14-4-5.2 NMSA 1978
2 shall include:

3 (1) the fiscal impact of the proposed rule on
4 other agencies, municipalities, counties, business sectors and
5 other entities that will be impacted by the proposed rule;

6 (2) the necessity of the rule;

7 (3) a statement on whether and how the rule is
8 consistent with the legislative intent of the authorizing
9 statute;

10 (4) whether the rule amounts to a mandate on
11 counties and municipalities and, if so, whether that mandate is
12 funded or unfunded; and

13 (5) whether the rule is necessary to comply
14 with a federal mandate.

15 B. The interim administrative rule oversight
16 committee and its staff at the request of committee members may
17 request a fiscal impact statement from the agency proposing a
18 rule after receiving the rule even if the fiscal impact of the
19 rule does not exceed one million dollars (\$1,000,000) pursuant
20 to Section 4 of this 2026 act."

21 SECTION 7. APPROPRIATION.--Two million dollars
22 (\$2,000,000) is appropriated from the general fund to the
23 legislative council service for expenditure in fiscal year 2027
24 to staff the interim administrative rule oversight committee
25 and for other costs incidental to establishing the committee.

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1 Any unexpended balance remaining at the end of fiscal year 2027
2 shall revert to the general fund.

3 SECTION 8. EFFECTIVE DATE.--The effective date of the
4 provisions of this act is July 1, 2026.

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