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SENATE BILL 258

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

INTRODUCED BY

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AN ACT

RELATING TO RULES; REQUIRING THE LEGISLATIVE FINANCE COMMITTEE
TO PREPARE FISCAL IMPACT REPORTS OF RULES OF SIGNIFICANT FISCAL
IMPACT UPON THE REQUEST OF LEGISLATIVE LEADERSHIP.

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

SECTION 1. Section 2-5-4 NMSA 1978 (being Laws 1967,
Chapter 267, Section 1) is amended to read:

"2-5-4. LEGISLATIVE FINANCE COMMITTEE--ADDITIONAL
DUTIES.--

A. The legislative finance committee, in addition
to all other duties prescribed by law, shall annually review
budgets and appropriations requests and the operation and
management of selected state agencies, departments and
institutions and shall make recommendations with respect
thereto to the legislature.

.233119.2

1 B. To carry out the purposes of this section, the
2 legislative finance committee shall establish a budget analysis
3 division staffed with persons knowledgeable and proficient in
4 budget analysis and budget preparation.

5 C. Each state agency, department and institution
6 shall furnish to the legislative finance committee a copy of
7 its appropriation request made to the department of finance and
8 administration at the same time [~~such~~] the request is made [~~to~~
9 ~~such department~~]. Each state agency, department or institution
10 shall also furnish to the legislative finance committee and its
11 staff any other supporting information or data deemed necessary
12 to carry out the purposes of this section.

13 D. The legislative finance committee or, when it
14 deems necessary, its staff may hold such hearings and require
15 such testimony from officers and employees of each state
16 agency, department or institution as is necessary to carry out
17 the purposes of this section.

18 E. Not later than the first week of any regular
19 legislative session, the legislative finance committee shall
20 furnish a document containing its budget recommendations to
21 each member of the senate finance committee and the house
22 appropriations and finance committee and to those other members
23 of the legislature [~~which~~] who may request it. A copy shall
24 also be furnished to the governor and to the department of
25 finance and administration.

1 F. Upon request of the speaker of the house of
2 representatives, the president pro tempore of the senate, the
3 minority leader of the house of representatives or the minority
4 leader of the senate to provide a fiscal impact analysis of a
5 proposed executive agency rule that is expected to have a
6 significant fiscal impact, the staff of the legislative finance
7 committee shall conduct a fiscal impact analysis of the
8 proposed rule and report the results to the members of the
9 legislative finance committee as soon as practicable. Upon
10 receipt of the request, the staff shall request from the agency
11 proposing the rule a statement of need for the rule and the
12 costs to the agency to comply with and implement the rule. The
13 fiscal impact report shall include:

14 (1) the statement of need and compliance costs
15 submitted by the proposing agency;

16 (2) the authorizing statute for the proposed
17 rule;

18 (3) the estimated fiscal impact of the
19 proposed rule, including administrative costs, costs to private
20 industry impacted by the rule and any risks to the estimated
21 fiscal impact;

22 (4) potential secondary benefits or
23 disadvantages of the proposed rule to the state and to private
24 industry; and

25 (5) the sources relied on in performing the

1 analysis.

2 G. As used in this section, "rule of significant
3 fiscal impact" means a rule that will result in or is likely to
4 result in an annual effect on the state or private industry of
5 ten million dollars (\$10,000,000) or more."

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