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FISCAL IMPACT REPORT

BILL NUMBER: House Bill 112

SHORT TITLE: Daylight Saving Time Year-round

SPONSOR: Block

LAST UPDATE: _____ **ORIGINAL DATE:** _____ **ANALYST:** Francis

APPROPRIATION* (dollars in thousands)

FY26	FY27	Recurring or Nonrecurring	Fund Affected
	\$100.0**	Nonrecurring	General Fund

*Amounts reflect most recent analysis of this legislation.

** the appropriation is contingent on action by the federal government and is available for either FY 2027 or FY 2028

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
DOIT		\$150.0**			Nonrecurring	General Fund
Total		\$150.0			Nonrecurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency or Agencies Providing Analysis

Department of Justice

Department of Information Technology

Tourism Department

Agency or Agencies That Were Asked for Analysis but did not Respond

Department of Transportation

SUMMARY

House Bill 112 (HB112) would exempt New Mexico from the annual change of time from standard to daylight savings. The bill establishes daylight savings time as the year-round standard time for the entire state.

House Bill 112 appropriates \$100 thousand from the general fund to Department of Information

Technology (DOIT) for the purpose of converting state information technology systems to permanent daylight-saving time. The appropriation is available over two years beginning in FY27 through FY28. Any unexpended balance remaining at the end of fiscal year 2028 reverts to the general fund.

The effective date of this bill is contingent on federal law authorizing a state to exempt itself from daylight savings time. The NM Department of Transportation and Director of the Legislative Council Service will certify the date which must be after Texas, either as a whole or just the part that includes El Paso County have enacted an exemption and has adopted daylight saving time.

FISCAL IMPLICATIONS

The appropriation of \$100 thousand contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY28 shall revert to the general fund. Note the effective date of this bill could be later than FY28 at which time the appropriation would revert.

DOIT reports that the agency would need at least \$250 thousand to implement HB 112, \$150 thousand more than appropriated, to cover the following:

- Engineering: Operating systems and time zone data updates and code audits across systems
- Quality assurance: Regression testing in calendars, scheduling, logging
- Patch deployment: For endpoints, servers, cloud services
- Vendor integrations: Updates for ERP, BI, monitoring tools
- Training and support: Runbook updates, help desk prep, user communications

SIGNIFICANT ISSUES

The federal Uniform Time Act of 1966 was enacted to promote the adoption and observance of uniform time within the standard time zones of the United States and established an annual advancement from standard time in the month of March each year (daylight savings time) and back to standard time approximately eight months later. The law allows states to exempt themselves from advancement from standard time if the state is wholly within one-time zone. There is no provision for a state to advance to daylight savings time on a permanent basis. In other words, under current federal law, a state can choose not to adopt daylight saving time but cannot choose to maintain daylight saving time throughout the year.

As a result, for this bill to go into effect, the federal law would need to be changed or the state request an exception from the U.S. Secretary of Transportation.

Texas passed a law in 2025 adopting year-round daylight-saving time as have 18 other states. According to the bill analysis statement for that law (Texas HB 1393 2025), all of Texas would be on central standard time.¹ Currently, part of Texas is in mountain time (El Paso). The analysis confirms the state can only exempt itself from adopting daylight saving time and cannot exempt

¹ [HB01393E.pdf](#)

itself from standard time until Congress allows it.

Tourism Department (TD) raises concerns about causing confusion or logistical issues:

Changing to year-round MDT could cause confusion or logistical issues for visitors to New Mexico. Arizona currently does not observe Daylight Saving Time, which means that in the summer months, Arizona is functionally in a different time zone than New Mexico. Staying on MDT would mean that Arizona is always in a different time zone. Since many visitors to New Mexico include other states in their trips, this could prove problematic. Additionally, states in the Central time zone would be two hours behind New Mexico during the months where they are usually on Standard Time. Given that much of New Mexico's drive market come from the Central time zone, this could cause difficulty for some of New Mexico's main origin markets.

PERFORMANCE IMPLICATIONS

DOIT reports the bill “introduces potential interoperability issues with interstate systems if neighboring states retain standard time” and that there could be impacts with other systems governed by federal law.

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