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FISCAL IMPACT REPORT

BILL NUMBER: House Bill 131

SHORT TITLE: Planning Bureau in EDD

SPONSOR: Borrego

LAST UPDATE: _____ **ORIGINAL DATE:** 1/29/2026 **ANALYST:** Francis

APPROPRIATION* (dollars in thousands)

| FY26 | FY27 | Recurring or Nonrecurring | Fund Affected |
|------|-----------|---------------------------|---------------|
| | \$1,000.0 | Recurring | General Fund |

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency or Agencies Providing Analysis

State Land Office

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

Economic Development Department

Because of the short timeframe between the introduction of this bill and its first hearing, LFC has yet to receive analysis from state, education, or judicial agencies. This analysis could be updated if that analysis is received.

SUMMARY

Synopsis of House Bill 131

House Bill 131 (HB131) appropriates \$1 million from the general fund to Economic Development Department (EDD) for the purpose of creating a Planning Bureau to address issues related to the state's growth and development and to help coordinate the state's use of land, facilities, and resources.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, which is May 20, 2026.

FISCAL IMPLICATIONS

The appropriation of \$1 million contained in this bill is a recurring expense to the general fund.

Any unexpended or unencumbered balance remaining at the end of FY27 shall not revert to the general fund. Although this bill does not specify future appropriations, multiyear appropriations, particularly if used to fund services and those services perform well, create an expectation the program will continue in future fiscal years; therefore, this cost could become recurring after the funding period.

This analysis assumes the bureau would need at least 1 FTE to work with the necessary partners to complete the necessary deliverables. The additional operating cost estimate also includes funding for the necessary office and IT supplies for the 1 FTE.

SIGNIFICANT ISSUES

HB131 tasks the bureau to work with related state agencies, regional planning commissions, and regional housing authorities on a comprehensive plan that addresses future development in the state. The report should emphasize the linkages between jobs, housing, and transportation and the necessary collaboration and coordination between agencies and government entities. As noted by the New Mexico Mortgage Finance Authority, certain proposed responsibilities may overlap with current state agencies and may lead to duplication, inefficiencies, and delays.

The bill directs the bureau to collaborate with Indian tribes, nations, and pueblos on matters related to development and planning upon request of a tribe, nation, or pueblo. The State Land Office (SLO) suggests that proactive outreach Indian tribes, nations, and pueblos may be more appropriate.

SLO also recommends that the State Land Commissioner and the State Historic Preservation Officer be included as a planning bureau consultee due to the substantial resources available on state trust land and numerous cultural properties that have been documented on public lands.

PERFORMANCE IMPLICATIONS

SLO notes that the Local Government Division of the Department of Finance and Administration, EDD and the Council of Governments have existing frameworks for planning:

The Local Government Division of the Department of Finance and Administration has a planning bureau that develops comprehensive plans, the EDD compiles a statewide economic development plan, and the Council of Governments Compiles Regional Comprehensive Economic Development Strategies (CEDS) for the respective regions. These plans also include job creation, housing and transportation that are updated as needed.

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