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FISCAL IMPACT REPORT

BILL NUMBER: House Resolution 1

SHORT TITLE: House Investigatory Subcommittee

SPONSOR: Romero/Anaya/Reeb

LAST UPDATE: 1/30/26 **ORIGINAL DATE:** 1/29/26 **ANALYST:** Gygj

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
NMAG	No fiscal impact	No fiscal impact	No fiscal impact	No fiscal impact		
SEC	No fiscal impact	No fiscal impact	No fiscal impact	No fiscal impact		
LCS	See "Fiscal Implications"	Up to \$100.0	No fiscal impact	Up to \$100.0		General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency or Agencies Providing Analysis

Attorney General

State Ethics Commission

SUMMARY

Synopsis of House Resolution 1

House Resolution 1 (HR1) would authorize the speaker of the House to appoint a special committee of the House of Representatives to investigate allegations of criminal activity and public corruption at the former Zorro ranch in Santa Fe County. The committee would continue after the legislative session adjourns on February 19, 2026, but not longer than December 31, 2026.

The subcommittee would:

- 1) Determine whether local or state officers failed to investigate the allegations even though they were informed of potential criminal activity at the ranch by legislators and others;
- 2) Determine whether legislation or other legislative action is needed to:
 - To prevent and properly punish crime,
 - Protect children and other vulnerable people,
 - Establish sufficient procedures for securing civil justice,

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- Ensure proper use and stewardship of public money and resources, and
- Provide for public accountability.

3) Keep records and furnish an interim report to the leadership of the House on or before July 31, 2026, and furnish a final report to all members of the House of Representatives on or before December 31, 2026.

The bipartisan committee would be composed of two members from the majority party and two members from the minority party; the speaker would designate a chair from the appointed members. HR1 would empower the committee to conduct hearings, compel attendance of witnesses, administer oaths, and issue subpoenas.

FISCAL IMPLICATIONS

HR1 does not include an appropriation. The bill specifies that the chief clerk of the House of Representatives will provide staff for the committee when the Legislature is in session; afterwards staffing would be requested from the Legislative Council Service, subject to the availability of funding. The committee is authorized to retain additional staff, including legal counsel, which may require additional funds. This FIR assumes a cost of up to \$100 thousand dollars to convene the committee after the 2026 regular session ends, including legislator per diem and travel and contractor support, if needed.

SIGNIFICANT ISSUES

Zorro ranch was the name of a private estate in Santa Fe County owned by Jeffrey Epstein, now deceased. The ranch, sold in 2023, consisted of approximately 10,000 acres of real property, which included public land leaseholds. Epstein, a convicted sex offender under Florida law, was not required to register as a sex offender under New Mexico law.¹ The New Mexico Attorney General began an investigation into allegations of criminal activity, including sex and human trafficking, in 2019. The investigations also included financial businesses owned and utilized by Epstein. The Attorney General eventually handed over the investigation to the FBI.²

HR1 creates a temporary interim committee that would serve as a “truth-saying commission;” allowing alleged victims and others to testify. The committee could potentially compensate victims with funds seized from Epstein’s bank accounts. The committee would examine whether New Mexico’s statute of limitations for childhood sexual assault survivors is too short and whether there are gaps in the state’s registry laws for sexual offenders.

The State Ethics Commission states its work would not directly intersect with the committee proposed in House Resolution 1 but “might involve overlapping areas of concern.” This would be violations of one of the 10 laws listed in the State Ethics Commission Act.

OTHER SUBSTANTIVE ISSUES

The Attorney General (NMAG) confirms the Legislature has the general power to investigate

¹ Reported by KOAT, KQRE and other television stations on Sept. 30, 2025 and the Santa Fe New Mexican on Dec. 19, 2025.

² Redacted report available at US Department of Justice website.

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matters of public importance. However, the state Constitution prohibits the body from passing a bill of attainder or of depriving parties the due process of law. “Accordingly, the contemplated committee would have to take care when investigating whether identifiable individuals committed crimes or stating that identifiable individuals committed crimes.”

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