

**MINUTES
of the
FIRST MEETING
of the
REVENUE STABILIZATION AND TAX POLICY COMMITTEE**

**June 4, 2026
State Capitol, Room 307
Santa Fe**

The first meeting of the Revenue Stabilization and Tax Policy Committee was called to order by Representative Derrick J. Lente, chair, as a subcommittee on June 4, 2026 at 9:04 a.m. in Room 307 of the State Capitol in Santa Fe. The committee achieved a quorum at 9:31 a.m.

Present

Rep. Derrick J. Lente, Chair
Sen. Carrie Hamblen, Vice Chair
Sen. Heather Berghmans
Rep. Micaela Lara Cadena
Sen. Pete Campos
Rep. Christine Chandler
Rep. Cristina Parajón
Sen. William E. Sharer
Sen. Peter Wirth

Absent

Sen. Craig W. Brandt
Rep. Mark Duncan
Sen. Natalie Figueroa
Rep. Doreen Y. Gallegos
Rep. Patricia A. Lundstrom
Sen. George K. Muñoz
Rep. Mark B. Murphy
Sen. Gabriel Ramos
Rep. Luis M. Terrazas

Designees

Rep. Kristina Orteiz

Rep. Joanne J. Ferrary
Sen. Antonio Maestas
Rep. Alan T. Martinez
Sen. Antoinette Sedillo Lopez
Rep. Elaine Sena Cortez
Sen. James G. Townsend

Special Advisory Members

Rep. Rod Montoya
Rep. Micaelita Debbie O'Malley
Sen. Rex Wilson

Staff

Cristina Vasquez, Staff Attorney, Legislative Council Service (LCS)
Ric Gaudet, Researcher, LCS
Sabina Gaynor, Staff Attorney, LCS

Guests

The guest list is in the meeting file.

Handouts

Handouts and other written testimony are in the meeting file and posted on the legislature's website.

References to Webcast

The time reference noted next to each agenda item in this document is cross-referenced to the webcast of the committee meeting, which can be found at www.nmlegis.gov, under the "Webcast" tab. The presentations made and committee discussions for agenda items can be found on the recorded webcast for this meeting.

Thursday, June 4

Post-Session Fiscal Review (9:10 a.m.)

Ismael Torres, chief economist, Legislative Finance Committee, discussed recent legislation that impacts state revenues and the economic outlook for the state. Oil production and wage growth have fueled record state revenue increases since fiscal year 2021, but revenue forecasts show an upcoming significant slowdown in growth. The legislature increased the state recurring budget by 3.1 percent from fiscal year 2026 and also appropriated \$2.7 billion in nonrecurring appropriations. Revenue and tax legislation enacted in the 2026 legislative session reduced recurring General Fund revenue by \$200 million. New Mexico revenues at the end of 2025 were weakening from previous strong growth years, but total spending has been exceeding the forecast of less than 4 percent revenue growth. However, state revenues have recently been benefiting from increased oil prices and oil production growth. The downside to higher oil prices is that they are a drag on economic growth and increase the likelihood of a recession. Mr. Torres said that the state has sufficient reserves to survive a short-term economic downturn. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=RSTP&Date=6/4/2026&ItemNumber=1>.

Discussion of Work Plan and Meeting Schedule (9:51 a.m.)

Representative Lente discussed the proposed work plan and meeting schedule for the 2026 interim. He also discussed proposed guidelines for consideration of legislative proposals for the legislative session in 2027. The work plan was adopted with the addition of the examination of the implementation of destination-based sourcing for the gross receipts tax.

Public Comment

There was no public comment.

Adjournment

There being no further business before the committee, the meeting adjourned at 10:34 a.m.