

**LFC Requester:**

**Helen Gaussoin**

**AGENCY BILL ANALYSIS  
2024 REGULAR SESSION**

**SECTION I: GENERAL INFORMATION**

*{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

*Check all that apply:*

**Original**      x      **Amendment**                
**Correction**                  **Substitute**              

**Date Prepared:**    01/30/2024

**Bill No:**    HB 9

**Sponsor:**    Rep. Dixon; Rep. Small

**Short Title:**    CLIMATE, ENERGY &  
WATER DIVISION

**Agency Name and Code Number:**    305 – New Mexico  
Department of Justice

**Person Writing Analysis:**    Pilar Borneo, AAG

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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>						

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
 Duplicates/Relates to Appropriation in the General Appropriation Act

**SECTION III: NARRATIVE**

*This analysis is neither a formal Opinion nor an Advisory Letter issued by the New Mexico Department of Justice. This is a staff analysis in response to a committee or legislator’s request. The analysis does not represent any official policy or legal position of the NM Department of Justice.*

**BILL SUMMARY**

House Bill 9 will amend the Economic Development Department Act to add a new division, the Climate, Energy and Water Division to the department. The new division will be tasked with facilitating new projects in the areas of climate, energy, and water. This division’s purpose will be to bring in new technologies and industries relating to climate, energy and water. Specifically, this division will spearhead the Decarbonization Technology Program also included in this Bill. The Decarbonization Technology program aims to bring in climate, energy and water companies to the state, incentivize decarbonation efforts. Lastly, this Bill creates the Climate, Energy and Water Project fund, a non-reverting fund in the state treasury to support the projects of the Climate, Energy and Water Division. Ten million dollars (\$10,000,000) will be appropriated from the general fund for expenditure in FY 2025 for the climate, energy and water *project* fund and five million dollars (\$5,000,000) will be appropriated from the general fund for the Climate, Energy and Water *division*.

**FISCAL IMPLICATIONS**

No clear fiscal implications for this office.

**SIGNIFICANT ISSUES**

Consideration should be given to whether NMSA 1978, § 9-15-4 needs to be amended in conjunction with this bill to add the Climate, Energy and Water Division under the Economic Development Department.

**PERFORMANCE IMPLICATIONS**

No clear performance implications for this office.

**ADMINISTRATIVE IMPLICATIONS**

No clear administrative implications for this office.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Companion to HB 237 with respect to creating a Climate, Energy and Water Authority board

which is in direct relation to this proposed Bill.

Related to HB 259 in that it allows investment in climate technologies contemplated in this Bill.

Related to HB 148 which authorizes the Finance authority to make loans or grants for water projects

**TECHNICAL ISSUES**

None

**OTHER SUBSTANTIVE ISSUES**

None

**ALTERNATIVES**

N/A

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

Status quo

**AMENDMENTS**