AGENCY BILL ANALYSIS

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

Check all that apply: Original x Amendment Correction Substitute			Date 1/29/24 Bill No: HB 259					
Sponsor: Short		ato & Dixon	Agency and Cod Number	le EM:	NRD 521	on, General Counsel		
Title:	Technolog			•		enjamin.shelton@emnrd.nm		
	Ar	ppropriation		Recurr		Fund		
	r					Affected		
	FY23	FY	724	or Nonrect	urring	Affected		
(Parenthesis	FY23	enditure Decreases)	724	or Nonrect	urring	Affected		
(Parenthesis	FY23	enditure Decreases)		or Nonrect	urring	Affected		

(Parenthesis () Indicate Expenditure Decreases)

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

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

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: This bill would direct at least two percent of the severance tax permanent fund to be invested in climate technology private equity funds, with a priority for funds that invest in companies bringing personnel to New Mexico or otherwise positively impact the State of New Mexico. The bill also defines terms for "climate technology" and "climate technology private equity fund."

FISCAL IMPLICATIONS

None for EMNRD.

SIGNIFICANT ISSUES

This legislation would help grow the pool of available investment dollars for firms working to develop climate mitigation and resilience technology. New Mexico, and the rest of the world, will need to rely on emergent technologies to deal with the impacts of climate change. New Mexico has significant investible income and has an opportunity to grow those investments through investing in those technologies. Investing in developing climate technologies is likely to provide some benefit by supporting companies with technology that mitigate and/or minimize climate impacts. Prioritizing investments in companies that make investments in New Mexico helps foster economic diversification.

PERFORMANCE IMPLICATIONS

None for EMNRD.

ADMINISTRATIVE IMPLICATIONS

None for EMNRD.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If this bill is not enacted, the severance tax permanent fund will not be required to invest in climate technology private equity funds.

AMENDMENTS

None.