

<b>LFC Requester:</b>	
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**AGENCY BILL ANALYSIS - 2026 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**  
[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto:billanalysis@dfa.nm.gov)  
*(Analysis must be uploaded as a PDF)*

**SECTION I: GENERAL INFORMATION**

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

**Date Prepared:** 1/27/26 *Check all that apply:*  
**Bill Number:** HB 55 Original  Correction   
 Amendment  Substitute

<b>Sponsor:</b>	Rep. Alan Martinez, John Block, Harlan Vincent	<b>Agency Name and Code Number:</b>	EMNRD 521
<b>Short</b>	1 <sup>st</sup> Responder Retirement Tax Deduction	<b>Person Writing</b>	<u>Ben Bajema</u>
		<b>Phone:</b>	<u>(505) 394-2581</u> <b>Email</b> <u>Benjamin.bajema@emnrd.nm.gov</u>

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		

(Parenthesis ( ) indicate revenue decreases)

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

	FY26	FY27	FY28	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**

### **BILL SUMMARY**

Synopsis: HB 55 provides an income tax deduction for first responder retirement income. The tax deduction amount is equal to fifty percent of the taxpayer's retirement pay for earned for service. First responder means a law enforcement officer, firefighter or emergency medical services personnel whose duties include responding rapidly to an emergency. The surviving spouse of a first responder retiree is also eligible for the deduction.

### **FISCAL IMPLICATIONS**

### **SIGNIFICANT ISSUES**

The Energy, Minerals and Natural Resources Department, Forestry Division employees wildland firefighters who will be eligible for this income tax deduction when they retire. The tax deduction provided by HB 55 will be a helpful benefit for recruitment and retention of employees and will assist the Forestry Division to compete with the federal Wildland Fire Service, USDA Forest Service, and wildfire fighting agencies in neighboring states for qualified personnel.

### **PERFORMANCE IMPLICATIONS**

### **ADMINISTRATIVE IMPLICATIONS**

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

### **TECHNICAL ISSUES**

### **OTHER SUBSTANTIVE ISSUES**

### **ALTERNATIVES**

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

If HB55 is not enacted then the retirement income of wildland firefighters will be taxed and an opportunity will be missed to enhance the recruitment and retention of qualified personnel who might leave state employment to work for the federal Wildland Fire Service or USDA Forest Service.

### **AMENDMENTS**

