

LFC Requester:	
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AGENCY BILL ANALYSIS - 2026 REGULAR SESSION
WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
AgencyAnalysis.nmlegis.gov and email to 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: 2/5/2026 *Check all that apply:*
Bill Number: HB 153 Original Correction
 Amendment Substitute

Sponsor: <u>Meredith A. Dixon, Kristina Ortez</u>	Agency Name and Code Number: <u>Economic Development Department 41900</u>
Short Title: <u>Low-Carbon Construction Material Rebate Act</u>	Person Writing Phone: <u>Austin Anaya 505-618-0889</u>
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
	\$25,000.0	Nonrecurring	General Fund

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
Total						

(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:

House Bill 153 enacts the Low-Carbon Construction Material Rebate Act and appropriates \$25 million from the general fund to create a non-reverting Low-Carbon Construction Material Rebate Fund administered by the Environment Department. The Bill establishes a rebate program for material buyers who purchase qualifying low-carbon construction materials, as verified through independently reviewed environmental product declarations.

HB 153 defines covered construction materials broadly, including cement, concrete, asphalt, steel, glass, roofing material, engineered wood, and precast concrete. The Bill directs the Environment Department to establish emissions baselines and emissions benchmarks for conventionally produced materials, with benchmarks set up to 15 percent below baseline levels. Rebates are capped at \$500,000 per project and \$10 million statewide per fiscal year, with prioritization criteria based on emissions reductions and in-state production.

The effective date of the bill is July 1, 2026.

FISCAL IMPLICATIONS

The \$25 million appropriation provided in HB 153 is a nonrecurring general fund expenditure and does not revert. The Bill creates a new non-reverting fund with continuing appropriations authority, allowing funds to be expended in fiscal year 2027 and subsequent fiscal years. Actual fiscal impacts will depend on program uptake, rebate levels, and the pace at which qualifying projects are developed.

SIGNIFICANT ISSUES

HB 153 targets emissions associated with construction materials by incentivizing the use of low-carbon building products and signaling demand to material suppliers and manufacturers. By linking financial incentives to lower-emissions materials, the Bill is intended to influence production and sourcing decisions in a sector where established supply chains tend to reinforce higher-emissions practices, potentially supporting a shift toward lower-carbon alternatives over time.

The Bill ties rebate eligibility to emissions benchmarks and independently verified product data, influencing material purchasing decisions at the point of procurement rather than relying on building design or operational performance. This structure focuses incentives on upstream material choices and allows emissions performance to be compared across functionally equivalent products without prescribing specific technologies or production methods.

Program impacts will depend on market conditions and implementation through rulemaking. Some qualifying low-carbon materials may have limited in-state or regional supply, particularly in early years, which could constrain participation or concentrate benefits among a small number of suppliers. Prioritization of New Mexico-based manufacturers could support in-state supply chain development. The Bill's reporting, audit, and anti-fraud provisions may strengthen accountability

while increasing administrative complexity for both participants and the Environment Department.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB 153 is related to HB 152, which establishes the Environmental Product Declaration Act and provides the verification framework required for implementation of the rebate program.

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS