

LFC Requester:	Laird
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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: 1/27/26 *Check all that apply:*
Bill Number: HB 160 Original Correction
 Amendment Substitute

Sponsor: Cortez/Martinez **Agency Name and Code:** Municipal League (ML)
Short Title: Create All Cities & Counties Fund **Number:** _____
Person Writing: Jacob Rowberry
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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
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 160 creates the All Cities and Counties Fund and establishes a new recurring distribution of state gross receipts tax (GRT) to municipalities and counties. 8% of state GRT net receipts would be redirected into the All Cities and Counties Fund. Distributions would vary by population size and county-level gross receipts tax activity.

FISCAL IMPLICATIONS

The provisions of HB160 would be positive for municipalities, which would receive a share of the proposed “All Cities and Counties Fund.” The proposed fund would receive 8 percent of GRT revenues.

Municipalities located in the oil and gas producing counties would receive a larger share of revenue; however, all municipalities and counties would benefit.

SIGNIFICANT ISSUES

This bill creates a new revenue sharing plan that provides all local governments with a share of State gross receipts taxes. The plan would ensure that all local governments would directly benefit from the enhanced GRT revenue the State is receiving from the oil and gas boom.

Revenue sharing formulas are often crafted to meet several public policy goals. The proposed formula in HB160 is an example of how the State and local governments could develop mechanisms to equitably meet mutual needs for funding public services.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS