

.LFC Requester: \_\_\_\_\_

## AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

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### SECTION I: GENERAL INFORMATION

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

Date Prepared: 2/14/26 Check all that apply:  
Bill Number: House Bill 250 Original  Correction   
Amendment  Substitute

Sponsor: Rep. Meredith Dixon Agency Name Economic Development  
Short Tech & Innovation Network and Code Department  
Title: Advisory Board Number: 41900  
Person Writing Nora Meyers Sackett  
Phone: 505-795-3966 Email Nora.Sackett@edd.nm.gov

### 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:

##### HCEDC Substitute Synopsis:

The House Commerce and Economic Development Committee Substitute for House Bill 250 makes changes to the makeup of the Technology and Innovation Network Advisory Board to reduce the Board's overall membership from 28 total members to 19 total members. The Bill requires the updated membership positions to be filled by July 1, 2026.

The Committee Substitute amends the Research, Development and Deployment (RD&D) Fund to now make money in the fund subject to appropriation by the Legislature. Current law appropriates the funds to the Economic Development Department (EDD). A temporary provision in the Bill directs expenditures in fiscal years 2027 through 2029, appropriating to the EDD up to approximately one third (thirty-three percent) of the balance of the fund for quantum facility projects; up to approximately one third (thirty-three percent) of the balance of the fund for fusion facility projects; and up to approximately one third (thirty-four percent) of the balance of the fund for the additional purposes of the fund. No more than one third of the amounts appropriated for expenditure may be expended in a single fiscal year.

The Committee Substitute creates requirements for RD&D Fund project funding for qualified quantum facilities with qualified expenditures equal to or greater than three million dollars (\$3,000,000), limiting RD&D Fund project funding to no more than thirty percent of the amount of qualified expenditures made by the applicant with a cap of fifty million dollars (\$50,000,000) per quantum facility. Total RD&D Fund project funding for quantum facility projects is capped at seventy-five million dollars (\$75,000,000). Project funding applicants must obtain preliminary certification of eligibility for project funding from EDD.

The Committee Substitute creates requirements for RD&D Fund project funding for qualified fusion facilities that meet certain requirements for investing at least ten million dollars (\$10,000,000) in New Mexico, employing at least thirty employees, and planning to invest at least one hundred million dollars in the State within four years, limiting RD&D Fund project funding to no more than thirty percent of the amount of qualified expenditures made by the applicant with a cap of fifty million dollars (\$50,000,000) per fusion facility. Total RD&D Fund project funding for fusion facility projects is capped at seventy-five million dollars (\$75,000,000). Project funding applicants must obtain preliminary certification of eligibility for project funding from EDD.

##### Original Bill Synopsis:

House Bill 250 makes changes to the makeup of the Technology and Innovation Network Advisory Board to reduce the Board's "core members" from eleven members to eight and replaces various specific categories of sixteen public members with nine public members with experience in investment or entrepreneurial support in the target sectors of aerospace and space, biosciences, clean energy and water or advanced computing. The Bill requires the updated member positions to be filled by July 1, 2026. The Bill makes various other minimal

clean ups to the statutory language.

## **FISCAL IMPLICATIONS**

### **SIGNIFICANT ISSUES**

HB 250 updates the Technology and Innovation Network Advisory Board to have fewer members overall and less prescriptive language for the appointed public members. The introduced Bill reduced the board size from 28 to 18 total members, while the proposed substitution reduces the Board size from 28 to 19 total members. These changes are expected to result in a more nimble and maneuverable Advisory Board, requiring coordination with fewer people to schedule board meetings while maintaining thorough ecosystem representation. This reduction in membership would allow for meaningful collaboration that meets the goals of strategic engagement and industry perspective outlined in the existing statute.

The proposed substitution creates eligibility requirements for specific project funding opportunities for quantum and facility fusion projects. Project funding for quantum and fusion facility infrastructure will support the growth of the quantum and fusion industries in New Mexico by supporting and catalyzing the development of quantum and fusion technology facilities in the State, leading to job creation, positive overall economic impact, and the growth of the tax base. As both quantum and fusion are highly capital-intensive industries, the availability of funding to support qualified project infrastructure investments could be decisive factors for quantum and fusion companies deciding where to site and build. New Mexico's existing assets in quantum and fusion, including national laboratories and research universities, are helpful for research and development but do not contribute to the capital needed to site large-scale development and manufacturing facilities.

The proposed substitution dramatically alters the funding mechanism of the Research, Development & Deployment Fund, making money in the fund subject to appropriation by the Legislature as opposed to being appropriated to EDD as the Fund was originally created. This change could hamstring the effective expenditure of the fund in the future, requiring additional steps for funds to be available for expenditure, whereas appropriation of the money in the fund to EDD, as the Fund was originally created, better enables multi-fiscal year planning and expenditure of the Fund by EDD. Additionally, by specifically allocating approximately two thirds of the Fund to funding opportunities for quantum and fusion facilities and leaving only approximately one third of the Fund for all other purposes for which the Fund was created, the proposed substitution significantly limits the availability of funding for all other types of projects. This limitation could significantly limit the potential impact and return on investment of the Fund.

## **PERFORMANCE IMPLICATIONS**

### **ADMINISTRATIVE IMPLICATIONS**

If enacted, the legislation would require new administrative and technical duties for EDD staff. The legislation requires EDD to issue certification of eligibility for project funding for quantum and fusion infrastructure investments, which will require EDD to develop new systems for eligibility determination, processing, and tracking. EDD expects the overall impact of these duties to be minimal.

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

**TECHNICAL ISSUES**

**OTHER SUBSTANTIVE ISSUES**

**ALTERNATIVES**

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

**AMENDMENTS**