LFC Requester:	

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: *2/10/26* *Check all that apply:*
Bill Number: *SB 18* Original *x* Correction __
Amendment ___ Substitute ___

Sponsor: Stewart, Ortez, Charley, Romero, Nava
Short Title: **CLEAR HORIZONS & EMISSIONS**

Agency Name and Code Number: 995 NMC
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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:

FISCAL IMPLICATIONS

SIGNIFICANT ISSUES

SB 18 establishes statutory statewide greenhouse gas (GHG) emissions limits and directs the Environmental Improvement Board (EIB) and local air quality boards to adopt plans and rules sufficient to meet those limits. While the bill does not directly mandate specific actions by county governments, counties may experience direct, indirect, and long-term fiscal and operational impacts depending on how implementing rules are developed and enforced.

Because SB 18 sets fixed statutory emissions targets while delegating implementation details to future rulemaking, the scope, timing, and magnitude of impacts on counties are uncertain and will depend on decisions made by the EIB and local air quality boards. Some examples of potential impacts include:

Counties that own or operate landfills or solid waste facilities could be affected by future greenhouse gas monitoring, reporting, or mitigation requirements adopted pursuant to SB 18. For counties specifically:

- Methane is included within the bill's definition of greenhouse gases.
- SB 18 requires the adoption of greenhouse gas monitoring, reporting, and verification requirements beginning January 1, 2028.
- Depending on future rules, landfills may be required to conduct emissions monitoring and, in some cases, install methane control or capture systems.

Such requirements could result in significant capital and operating costs, particularly for large or closed landfills where methane emissions may increase over time as organic material decomposes.

County-Provided Example: Sandoval County Landfill
The following example is provided by Sandoval County for illustrative purposes only:
Sandoval County reports that methane emissions are not currently a significant issue at the county landfill. Based on landfill conditions and waste decomposition timelines, methane emissions are expected to become a potential regulatory issue if SB18 goes into effect at approximately 15 years into the future, or roughly five years after landfill closure.
Depending on future rules adopted by the EIB and the Air Quality Bureau to meet statutory greenhouse gas limits, Sandoval County estimates it could be required to install a methane capture system at that time. Current cost estimates indicate:

- Estimated cost of methane capture systems: approximately $32,800 per acre
- Landfill size: approximately 500 acres
- Estimated total cost: approximately $16.4 million, expressed in current dollars

This example illustrates the potential for substantial long-term, post-closure financial obligations for counties, even where methane emissions are not presently regulated or problematic.

County governments operate vehicle fleets, buildings, and infrastructure systems that rely heavily on fuel and electricity, including public safety fleets, public works equipment, and water and wastewater utilities.

- SB 18's statewide emissions accounting includes emissions associated with electricity generated outside New Mexico for use within the state.
- Compliance costs incurred by utilities, fuel suppliers, and other regulated entities may be passed through to counties in the form of higher electricity rates, fuel prices, and service costs.
- Increased operating costs could place pressure on county budgets and affect service delivery, capital planning, and maintenance schedules.

The Legislative Finance Committee notes that SB 18 delegates significant authority to the EIB and local boards to determine how emissions reductions are achieved, making it difficult to estimate fiscal impacts in advance. For counties, this uncertainty may affect:

- Long-term capital planning and post-closure obligations
- Budget forecasting for fuel, electricity, and solid waste operations
- Potential exposure to future compliance or mitigation requirements
- Coordination with local air quality boards, where applicable

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