

<b>LFC Requester:</b>	<b>Davidson</b>
-----------------------	-----------------

**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:** 1/23/2026 *Check all that apply:*  
**Bill Number:** SB46 Original  Correction   
 Amendment  Substitute

**Sponsor:** Campos **Agency Name and Code:** NMED/667  
**Short:** Explore Diversion of Organic Waste **Number:** \_\_\_\_\_  
**Person Writing:** Shirlene Sitton  
**Phone:** 505-695-5908 **Email:** [Shirlene.sitton@env.n](mailto:Shirlene.sitton@env.nm.gov)

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
0	130.0	Nonrecurring	GF

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
0	0	0		

(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>	0	150.0	0	150.0	Nonrecurring	GF

(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: This bill appropriates \$130,000 from the general fund to NMED to study pollution reduction and cost-saving opportunities resulting from the diversion of organic waste from the solid waste stream and to conduct a waste characterization study to assess solid waste and organic waste composting feed stock, and to submit a report to the interim legislative committee on the environment before June 30, 2027.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, if enacted.

### **FISCAL IMPLICATIONS**

This bill would appropriate \$130,000 to NMED to conduct a waste characterization of the municipal solid waste stream and also explore opportunities for the diversion of organic waste. The Resource Recovery Bureau estimates that it will take one (1) FTE to manage this project for the FY 27 and complete it in time to report on its completion to the interim committee.

The nonrecurring general fund appropriation of \$130,000 contained in this bill provides for this project and any unexpended or unencumbered balances remaining at the end of FY27 shall revert back to the general fund.

While the bill provides a non-recurring appropriation of \$130,000 for project-related costs, NMED would be required to provide one (1) full-time equivalent (FTE) to manage and complete the work in FY27 at an estimated annual cost of \$152,000 for personnel services, employee benefits and overhead expenses, representing a currently unfunded staffing obligation.

### **SIGNIFICANT ISSUES**

The Resource Recovery Bureau (RRB) is currently implementing an EPA grant to study more than ten years of data collected from the state's solid waste, recycling and composting facilities and to produce a waste characterization study for the state, as well as a State Solid Waste Management Plan (SWMP). The data portion of this project is largely complete, and we are currently gathering input from stakeholders for the updated SWMP. This will be completed by September 2026. The SWMP plan will address the significant issues identified by the regulated community and will include organic materials and composting issues and strategies. Additionally, the RRB is creating a Circular Economy Plan (CEP), based on the update to the Recycling and Illegal Dumping (RAID) Act, HB291 passed in the 2025 Legislative Session. The CEP will look to ways to create economic development around reusable and recycling materials, including organic waste. The CEP will be completed in June 2026.

This bill specifies a waste characterization, but does not specify the methods to be used, whether based on reported data, or to conduct waste sorting exercises at facilities. We have data for organic materials, but the funds appropriated by this bill could be used to provide additional and more granular information specific to organic wastes through some waste sorting activities; and may be useful especially to develop organics strategies related to building New Mexico's Circular Economy.

### **PERFORMANCE IMPLICATIONS**

## **ADMINISTRATIVE IMPLICATIONS**

NMED may need additional staff time to convene, administer, and coordinate the working group and develop the final report. NMED will need to cover additional costs with existing budget and staff. Funding is required to be spent in FY 27.

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

This bill is a companion of SB 47, the Food Recovery and Composting Act.

## **TECHNICAL ISSUES**

## **OTHER SUBSTANTIVE ISSUES**

## **ALTERNATIVES**

The Resource Recovery Bureau is currently developing two plans, the State Solid Waste Management Plan and the Circular Economy Plan, and these will both involve stakeholder input. This would include strategies to address organic wastes and/or future actions necessary to reduce waste while supporting waste management economics. In both cases, the recommendations already established by the statewide composting study produced in FY25 by the New Mexico Agriculture Department will be considered for the development of the two plans.

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

The Plans that are already underway for the Resource Recovery Bureau will contain strategies for organic wastes, but they may also recommend further study and funding for circular economy initiatives.

## **AMENDMENTS**