

LFC Requester:

**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:** 1/28/2026 *Check all that apply:*  
**Bill Number:** SB128 Original  Correction   
 Amendment  Substitute

**Sponsor:** Antonio Maestas **Agency Name and Code** Facilities Management Division  
Public Land Disclosure and **Number:** 3500  
Accountability Act **Person Writing** Peter Barrington  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
N/A	100	Nonrecurring	General Fund

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
N/A	N/A	N/A	N/A	N/A

(Parenthesis ( ) indicate revenue decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	Indeterminate	Indeterminate	Indeterminate	Indeterminate	Recurring	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: Senate Bill 128 enacts the *Public Land Disclosure and Accountability Act*, requiring public agencies to inventory and disclose real property holdings in metropolitan areas every two years beginning in 2027. The bill mandates the disposition of vacant or underutilized metropolitan real property owned by certain public agencies that have remained unused for five years or longer and for which the agency has no intent to develop. The bill also imposes development obligations on purchasers of such land and appropriates \$100,000 to the Department of Finance and Administration (DFA) to publish a statewide searchable database of submitted reports.

#### **FISCAL IMPLICATIONS**

SB128 appropriates \$100,000 from the general fund to DFA in FY27 to electronically publish land inventory reports in a searchable database. The bill specifies that any unexpended balance reverts to the general fund.

DFA is likely to incur ongoing costs beyond FY27 to maintain, update, and monitor the database and to fulfill its annual compliance reporting obligation to the New Mexico Legislative Council. The bill does not provide an ongoing appropriation for these activities. DFA may need to absorb costs within existing resources.

Likewise, public agencies subject to the reporting requirements, especially the Facilities Management Division (FMD) will incur administrative and staffing costs to compile, verify, and publish property inventories biennially. Because of the size of FMD's real property portfolio the administrative cost and human resource effort of compliance will be significant. The bill does not provide any funds to affected agencies like FMD for compliance.

#### **SIGNIFICANT ISSUES**

SB 128 could significantly affect the Facilities Management Division due to its role in managing, maintaining, and planning the use of state-owned real property in metropolitan areas.

FMD manages a portfolio of state office buildings and land that is often held for long-term capital planning, agency consolidation, parking, security buffers, or future expansion, even when such property may appear vacant or underutilized. The bill's requirement that public agencies dispose of metropolitan real property that has been vacant or underutilized for five years or longer and for which there is no stated intent to develop could constrain FMD's ability to retain land for strategic or future state use.

The bill's definition of "underutilized" as property not being used in furtherance of an agency's mission may not fully capture FMD's mission, which includes stewardship, lifecycle management, and future readiness rather than direct program delivery. As a result, properties serving indirect but legitimate state purposes may be at risk of being classified as surplus.

Mandatory disposition could also increase long-term costs to the state if FMD is later required to reacquire land or lease private facilities to meet future space needs. This risk is heightened in metropolitan areas where land values are increasing, and state acquisition costs tend to exceed historical sale prices.

In some cases, FMD will have difficulty reporting legal descriptions in accordance with current legal standards, requiring FMD to engage the services of licensed surveyors to conduct updated surveys and legal descriptions. Also, the development reversion clause may expose FMD to legal and administrative complexity, particularly in tracking post-sale compliance, executing reversions of title, and reimbursing purchasers. These responsibilities are not currently part of FMD's core function and could require new expertise or resources.

Additionally, vacant properties held in trust by FMD for other agencies like the Petroglyphs, as well as Forts Stanton and Bayard and other national monuments are not addressed in the bill.

Over the long term, the mandatory disposition of vacant or underutilized land may result in increased local property tax revenues, as land transferred to private ownership would generally become taxable. However, the magnitude and timing of any revenue gain is indeterminate and depends on market conditions, development timelines, and local tax rates.

## **PERFORMANCE IMPLICATIONS**

SB128 may affect FMD's ability to optimize statewide facilities performance over the long term. While the bill could incentivize the identification and disposal of truly surplus property, the rigid mandatory disposition framework may undermine FMD's performance goals related to space consolidation, cost avoidance, and long-range capital planning. Properties held in anticipation of agency relocations, consolidation projects, or capital funding availability could be prematurely sold, reducing flexibility and potentially increasing reliance on leased space.

The requirement to document intent and projected timelines for use or development may improve internal planning discipline and transparency; however, it may also create pressure to artificially commit to development timelines that are contingent on future legislative appropriations or bond funding outside FMD's control.

FMD performance metrics related to facility adequacy, cost per square foot, and deferred maintenance could be negatively affected if future state space needs must be met through higher-cost private leases due to the loss of state-owned land.

## **ADMINISTRATIVE IMPLICATIONS**

SB 128 would impose new administrative responsibilities on FMD, including:

- Conducting biennial inventories of all state-owned real property in metropolitan areas under its control;
- Assessing and documenting whether properties are vacant or underutilized under the bill's definitions;
- Developing and maintaining formal statements of intent and projected development timelines for qualifying properties;
- Coordinating with DFA on reporting and compliance monitoring; and

- Administering or supporting property dispositions and post-sale compliance tracking.

These tasks would likely require additional staff time, legal review, and coordination among FMD, GSD leadership, DFA, and potentially the State Land Office or other entities involved in property transactions. The bill does not provide funding for these additional administrative demands.

The state already has a well-managed process for the disposition of real property at GSD/FMD, that accounts for future changes; flexible agency (GSD and partners in uses) response across time; inventory for uses and growth, etc. FMD may need to enhance or modify its existing asset management systems to ensure data accuracy and consistency with DFA's reporting requirements, creating potential IT and data governance impacts. Finally, the annual compliance monitoring and reporting framework may necessitate ongoing documentation and internal review processes, diverting resources from core facilities maintenance and capital project oversight functions.

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

SB 128 may intersect with existing statutes, specifically the Property Control Act and §15-3B NMSA 1978 and associated NMAC's governing authorities, to include:

- State and local government property disposition procedures;
- Public land held for educational or institutional purposes; and
- Local comprehensive planning and zoning requirements.

Further review may be necessary to determine whether the mandatory disposition provisions conflict with constitutional, statutory, or fiduciary obligations applicable to certain public entities, such as FMD.

### **TECHNICAL ISSUES**

- The bill does not specify the format, standards, or level of detail required for the searchable database, leaving implementation largely to DFA's discretion and this may conflict with FMD's current searchable database.
- The term "initiate development" is not defined, which could lead to ambiguity in determining compliance with the twelve-month requirement.
- The definition of "underutilized" is vague when applied to GSD. GSD is the title holder of records for many State of New Mexico real properties that are then used by *other agencies*. It is not clear what or how the phrase "agency's mission" is to be applied.
- The bill does not clarify whether the five-year vacancy or underutilization period is measured retroactively from the effective date or begins thereafter.

### **OTHER SUBSTANTIVE ISSUES**

The exemption of counties and municipalities from the mandatory disposition requirement may raise policy concerns regarding consistency and equity among public agencies, particularly FMD where state-owned properties intersect with counties and municipalities.

## **ALTERNATIVES**

Alternatives to the bill's current approach could include:

- Allowing public agencies to seek waivers or extensions based on documented future public use;
- Providing incentives rather than mandates for disposition and redevelopment;
- Extending development timelines or allowing phased development milestones; or
- Limiting mandatory disposition to property exceeding a specified size or value threshold.

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

If the bill is not enacted, public agencies will continue to manage real property under existing statutes without uniform disclosure requirements or mandatory disposition of vacant or underutilized land. Opportunities to increase transparency, stimulate redevelopment, and expand the tax base through conversion of surplus public land would remain largely discretionary and uneven across agencies.

## **AMENDMENTS**

Potential amendments could:

- Clarify key definitions, including “underutilized” and “initiate development;”
- Provide recurring funding to public agencies with significant land holdings for monitoring and database maintenance responsibilities and to maintain compliance;
- Allow greater flexibility in development timelines.