

LFC Requester:

Connor Jorgensen

**AGENCY BILL ANALYSIS - 2026 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**

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*(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** 1/28/2026 *Check all that apply:*  
**Prepared:** \_\_\_\_\_  
**Bill** SB 143 Original  Correct  
**Number:** \_\_\_\_\_ ion \_\_\_\_\_  
 Amend \_\_\_\_\_ Substit  
 ment \_\_\_\_\_ ute \_\_\_\_\_

**Sponsor:** Pat Wood, Pat Boone, Rex Wilson, George Munoz  
**Agency Name and Code Number:** NMDA - 199  
**Person Writing Analysis:** Jeff Witte  
**Short Title:** Update Certain Agricultural Fees  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
None	None	N/A	None

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
Unknown	Unknown	Unknown	Recurring	Agency/General

(Parenthesis ( ) indicate revenue decreases)

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

	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	NFI	NFI	NFI	NFI	N/A	N/A

(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 143 (SB 143) amends five statutes administered by the New Mexico Department of Agriculture (NMDA) to update statutory fee limits associated with regulatory programs. The bill updates fees under the Egg Grading Act, Pesticide Control Act, Plant Protection Act, Fertilizer Act, and Commercial Feed Act. The bill authorizes NMDA to modernize fee limits that have not been updated for several decades to better align with current program costs and regulatory responsibilities.

#### **FISCAL IMPLICATIONS**

SB 143 does not directly increase fees or generate revenue. Instead, it updates maximum fee limits, allowing NMDA to propose revised fees through the rulemaking process, including stakeholder engagement and review and approval by New Mexico State University Board of Regents. Periodic fee revisions are aligned with each respective program cost to support inspections, registrations, sampling, laboratory analysis, enforcement, testing and/or outreach activities related to each statute.

#### **SIGNIFICANT ISSUES**

Many of the statutory fee limits amended by SB 143 have remained unchanged for 45 to 50 years. Since that time, the cost of regulatory oversight, inspections, laboratory analysis, technology, and the complexity of investigations has increased significantly. Current fee caps constrain NMDA's ability to fully recover program costs and meet statutory obligations.

The current egg dealer fee limits stated in the Egg Grading Act have not been addressed since 1973. The bill amends the fee limit from one-half cent (\$0.15 per case) to twenty cents (\$0.20) per case. Shell egg dealer license fees are proposed to increase small dealers from \$10 to \$20, medium dealers from \$25 to \$50, and large dealers from \$50 to \$100, which aligns with other state programs. Out-of-state dealers contribute 93% of egg fees to the program; in-state dealers' fees contributed \$6,262 in FY25. The proposed fee limit increase will support egg inspection activities to achieve statutory obligations, promote the poultry industry and its products, and supports consumer protection for shell eggs sold in the state.

The fee limit proposed in the Pesticide Control Act and expected fee increase related to pesticide product review, registration, and inspections will primarily impact out-of-state businesses (90+%). The proposed increase in the fee limit from \$150 to \$300 per product will result in a limit comparable with states on the lower end of the national scale (\$100-\$2,300/product annually). The fee limit has not been addressed in the past 20 years.

Proposed fee limit increases for the Plant Protection Act were last amended in 1979. The proposed fee limit increase from \$75 to \$100 (majority of licenses) will provide for inflation adjustments over the past years as well as for the future. Proposed future fee changes would affect approximately 1,300 licenses related to the production and/or sale of nursery plants and cut flowers. Although fee cap comparisons to other states for plant nurseries and most retail outlets are not directly equivalent, they appear to range from \$40 to \$300 for similar licensing requirements.

The proposed fee limit increases under the Fertilizer Act would support registration review, inspection, and sampling of fertilizer products. The changes would affect approximately 7,136 registered products from out-of-state registrants and 243 registered products from New Mexico registrants. The proposed registration fee of \$50 aligns with other state programs and the national average (national average registration is \$60). The \$5.00 registration fee currently collected in New Mexico is the lowest in the United States. The proposed inspection fee limit of \$0.90 will provide for inflation adjustments over the past 50 years as well as for the future. The current fee limits were established in 1976.

The proposed fee limit increases under the Commercial Feed Act would provide additional resources to support inspection and sampling of commercial feed products. The changes would affect approximately 23,046 registered feed products from out-of-state registrants and 370 registered feed products from New Mexico registrants. The proposed inspection fee limit of \$0.45 will provide for inflation adjustments over the past 50+ years as well as for the future. The current inspection fee limit was established in 1973.

## **PERFORMANCE IMPLICATIONS**

By modernizing fee limits, SB 143 would improve NMDA's capacity to carry out mandated regulatory functions. Anticipated outcomes include improved access to resources and technology, enabling faster response times and more effective investigations of consumer complaints, while also strengthening food safety and security, environmental protection, and public health.

## **ADMINISTRATIVE IMPLICATIONS**

If fee limits are adjusted through rulemaking, NMDA would be better positioned to maintain staffing levels, invest in technology, and support laboratory and enforcement functions. This includes improving licensing and registration systems, strengthening data security and public access, and expanding training and outreach opportunities for regulated industries. The bill itself does not require immediate administrative changes.

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

N/A

## **TECHNICAL ISSUES**

None known at this time

## **OTHER SUBSTANTIVE ISSUES**

None known at this time

## **ALTERNATIVES**

None known at this time

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

Primary consequences include:

If SB 143 is not enacted, NMDA will remain constrained by outdated fee limits that do not reflect current regulatory costs. This may limit the department's ability to meet state and federal requirements, maintain inspection coverage, and provide consistent oversight.

## **AMENDMENTS**

N/A