

<b>LFC Requester:</b>	LFC
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**AGENCY BILL ANALYSIS  
2026 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:**

[LFC@NMLEGIS.GOV](mailto:LFC@NMLEGIS.GOV)

*and*

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*{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}*

**SECTION I: GENERAL INFORMATION**

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

*Click all that apply:*

**Original**  **Amendment**   
**Correction**  **Substitute**

**Date Prepared:** 2026-02-05  
**Bill No:** SB253

**Sponsor:** Sharer, William E  
PROHIBIT CERTAIN  
**Short Title:** AGENCY RULES

**Agency Name and Code** NMHED  
**Number:** \_\_\_\_\_  
**Person Writing:** Armijo, Alicia  
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**Phone:** 5056606335 **Email:** nm.gov

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

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

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue	Recurring	Fund Affected

<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>or Nonrecurring</b>	
N/A	N/A	N/A	N/A	N/A

(Parenthesis ( ) Indicate Expenditure 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>	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

SB258

Duplicates/Relates to Appropriation in the General Appropriation Act:

N/A

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Senate Bill 253 (SB253) makes changes to the State Rules Act (Chapter 14, Article 4 NMSA 1978). SB253 prohibits an agency from adopting a rule that causes a negative fiscal impact on the General Fund, other state funds, or state revenue. For purposes of the State Rules Act an agency means any agency, board, commission, department, institution or officer of the state government except the judicial and legislative branches of the state government.

SB253 requires that the specific legal authority that is cited in an agency's notice of proposed rulemaking include a prior legislative appropriation. Lastly, SB253 requires that the notice of proposed rulemaking include a fiscal analysis of the proposed rule.

**FISCAL IMPLICATIONS**

The New Mexico Register is the official publication for all notices of rulemakings and filings of adopted rules, including emergency rules, by agencies. According to the New Mexico Commission of Public Records website, the New Mexico Register fee for publishing is \$3.00 per columnar inch which works out to approximately \$75.00 to \$85.00 for each page of text.

Chapter 14, Article 11 NMSA 1978 also requires that all legal notices be published in a newspaper.

The addition of a fiscal impact report in an agency rulemaking notice would increase publication fees.

**SIGNIFICANT ISSUES**

SB253 prohibits an agency from adopting a rule that causes a negative fiscal impact on the General Fund, other state funds or state revenue. SB253 requires that an agency shall not adopt a rule without a prior legislative appropriation for the purpose of the rule is proposed, or greater than a prior legislative appropriation for the purpose of which the rule is proposed.

The State Rules Act currently requires that a notice of rulemaking include:

- a summary of the full text of the proposed rule;
- a short explanation of the purpose of the proposed rule;
- a citation to the specific legal authority authorizing the proposed rule and the adoption of the rule;
- information on how to obtain a copy of the full text of the proposed rule;
- information on how a person may comment on the proposed rule, where comments will be received and when comments are due;
- information on where and when a public rule hearing will be held and how a person may participate in the hearing; and
- a citation to technical information, if any, that served as a basis for the proposed rule, and information on how the full text of the technical information may be obtained.

SB253 would add the following requirements for a notice of rulemaking:

- the specific legal authority shall include a prior legislative appropriation
- a fiscal analysis of the proposed rule's impact on the General Fund, other state funds and state revenue.

The Higher Education Department Act (Chapter 9, Article 25 NMSA 1978) provides that the Secretary of Higher Education may make and adopt such reasonable and procedural rules as may be necessary to carry out the duties of the department and its divisions. It is unclear whether procedural rules may be subject to appropriation guidelines of SB253.

All rulemaking notices including those for adoption, amendment or repeal require public notice.

## PERFORMANCE IMPLICATIONS

N/A

## ADMINISTRATIVE IMPLICATIONS

NMHED is an agency subject to the provisions of the State Rules Act. SB253 would require that NMHED produce a fiscal analysis for the agency's proposed rulemakings and include the analysis in its rulemaking notices.

SB253 assigns new functions and duties to NMHED. SB253 does not provide an appropriation to help cover the increased costs and workload associated with these new duties.

## CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB253 relates to SB258. SB258 requires the Legislative Finance Committee to prepare fiscal impact reports for certain executive agency rules expected to have a significant fiscal impact. SB258 establishes criteria for procedures to request the fiscal impact report and contents of the report. SB258 establishes that a "rule of significant fiscal impact" means a rule that will result in or is likely to result in an annual effect on the state or private industry of ten million dollars (\$10,000,000) or more.

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If SB253 were not passed, then agencies subject to the State Rules Act will not be required to include a fiscal analysis in their notices of proposed rulemaking. Additionally, it will not be required that the legal authority cited in a notice of proposed rulemaking include a prior legislative appropriation.

AMENDMENTS

N/A