

1 SENATE BILL 47

2 **57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026**

3 INTRODUCED BY

4 Pete Campos

10 AN ACT

11 RELATING TO WASTE MANAGEMENT; ENACTING THE FOOD RECOVERY AND  
12 COMPOSTING ACT; ESTABLISHING A FOOD RECOVERY AND COMPOSTING  
13 PROGRAM WITHIN THE DEPARTMENT OF ENVIRONMENT; CREATING THE FOOD  
14 RECOVERY AND COMPOSTING ADVISORY GROUP; IMPOSING A SURCHARGE ON  
15 SOLID WASTE DISPOSAL; CREATING THE FOOD RECOVERY AND COMPOSTING  
16 FUND.

17  
18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

19 **SECTION 1.** [NEW MATERIAL] SHORT TITLE.--Sections 1  
20 through 6 of this act may be cited as the "Food Recovery and  
21 Composting Act".

22 **SECTION 2.** [NEW MATERIAL] DEFINITIONS.--As used in the  
23 Food Recovery and Composting Act:

24 A. "composting" means the controlled aerobic  
25 biological decomposition of organic waste resulting in a stable  
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1       organic product that can be used as a soil additive, fertilizer  
2       or growth media;

3               B. "composting facility" means a facility, other  
4       than a transformation facility, that:

5                       (1) is capable of providing biological  
6       stabilization of organic material;

7                       (2) accepts only source-separated compostable  
8       materials; and

9                       (3) is registered with the department;

10               C. "department" means the department of  
11       environment;

12               D. "eligible entity" means a municipality, a  
13       county, a land grant-merced controlled and governed pursuant to  
14       Sections 49-1-1 through 49-1-8 or 49-4-1 through 49-4-21 NMSA  
15       1978, an acequia, a soil and water conservation district, a  
16       solid waste authority or an Indian nation, tribe or pueblo;

17               E. "organic waste" means biodegradable material  
18       that comes from plants or animals;

19               F. "solid waste" means any discarded material  
20       destined for landfill disposal, incineration or other final  
21       disposal at a solid waste facility, not including segregated or  
22       source-separated materials that are rescued, reused or  
23       composted;

24               G. "solid waste facility" includes:

25                       (1) an incinerator;

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- (2) a solid waste transfer station;
- (3) a landfill or landfill system; and
- (4) other facilities accepting mixed solid waste; and

H. "transformation facility" means a facility that changes the physical, chemical or energy state of waste to reduce the volume, change the energy or create new products out of the waste.

## SECTION 3. [NEW MATERIAL] FOOD RECOVERY AND COMPOSTING PROGRAM.--

A. The "food recovery and composting program" is created in the department to provide grants and education and outreach to advance food recovery, composting and organic waste reduction across the state. The department, in consultation with the food recovery and composting advisory group, shall administer the program.

B. The department may:

- (1) award grants to eligible entities;
- (2) contract for services to advance food recovery, composting and organic waste reduction initiatives; and

(3) provide education, outreach and other programming to advance food recovery, composting and organic waste reduction initiatives.

C. The department shall promulgate rules to

administer the food recovery and composting program, including:

(1) provisions to establish procedures for

review, evaluation and approval of grant applications that:

(a) aim to achieve wide participation from all regions;

(b) ensure balanced urban and rural representation in the selection process;

(c) establish a user-friendly and straightforward application process; and

(d) provide support and technical assistance to applicants during the application process; and

(2) reporting requirements for grantees to share the progress and expenditures made under the grant with the department.

D. Beginning January 1, 2027, the department may award a grant to an eligible entity to:

(1) advance food recovery, composting or organic waste reduction initiatives;

(2) fund pilot programs and perform targeted research that explores the public health and economic benefits of food recovery, composting or organic waste reduction initiatives;

(3) provide education and outreach related to advancing food recovery, composting or organic waste reduction initiatives in the state; and

(4) contract for services that achieve the objectives outlined in Paragraphs (1) through (3) of this subsection.

**SECTION 4. [NEW MATERIAL] FOOD RECOVERY AND COMPOSTING**  
**ADVISORY GROUP.--**

A. The "food recovery and composting advisory group" is created and is composed of no more than fifteen members, including at least one representative each from:

- (1) the department;
- (2) the New Mexico department of agriculture;
- (3) the economic development department;
- (4) a municipal government;
- (5) a board of county commissioners;
- (6) a tribal government located within the

(7) a land grant-merced controlled and governed pursuant to Sections 49-1-1 through 49-1-8 or 49-4-1 through 49-4-21 NMSA 1978;

- (8) a solid waste authority;
- (9) an acequia;
- (10) a soil and water conservation district;
- (11) an organization specializing in pollution
- (12) an organization specializing in food  
ting or organic waste reduction; and

(13) the food recovery, composting or organic waste reduction industry.

B. The secretary of environment shall appoint members of the food recovery and composting advisory group to serve two-year terms as volunteers with no compensation, perquisite or allowance from the state for their services. The secretary shall fill vacancies by appointing a replacement to serve the unexpired term.

C. The food recovery and composting advisory group shall:

(1) make recommendations to the department on grant application guidelines, deadlines and reporting requirements for eligible entities;

(2) review and make recommendations for funding grant applications made to the department under the food recovery and composting program that ensure a balanced selection process of applicants from urban and rural areas; and

(3) develop voluntary and incentive-based programming to advance food recovery, composting and organic waste reduction initiatives that shall be administered by the department.

## SECTION 5. [NEW MATERIAL] FOOD RECOVERY AND COMPOSTING FUND.--

A. The "food recovery and composting fund" is created as a nonreverting fund in the state treasury. The fund

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1 consists of appropriations, gifts, grants, donations, income  
2 from investment of the fund and other money credited to the  
3 fund. The department shall administer the fund, and money in  
4 the fund is subject to appropriation by the legislature to the  
5 department to carry out the provisions of Subsection B of this  
6 section. Disbursements from the fund shall be made by warrant  
7 of the secretary of finance and administration pursuant to  
8 vouchers signed by the secretary of environment.

9                   B. Money in the fund may be used by the department  
10 to:

11                   (1) make grants to eligible entities;  
12                   (2) contract for services to advance food  
13 recovery, composting or organic waste reduction initiatives;  
14 provided that no more than fifteen percent of the amount  
15 appropriated from the fund is used to contract for the  
16 services; and

17                   (3) provide education, outreach and other  
18 programming to advance food recovery, composting and organic  
19 waste reduction initiatives; provided that no more than fifteen  
20 percent of the amount appropriated from the fund is used to  
21 provide such programming.

22                   SECTION 6. [NEW MATERIAL] FOOD RECOVERY AND COMPOSTING  
23 SURCHARGE.--

24                   A. A surcharge is imposed on each solid waste  
25 facility operating within the state. The surcharge shall be in  
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1 an amount equal to three dollars (\$3.00) per ton of solid waste  
2 processed at the solid waste facility. The owner or operator  
3 of a solid waste facility that owns or operates an on-site  
4 composting facility shall pay a reduced surcharge of two  
5 dollars (\$2.00) per ton of solid waste processed at that solid  
6 waste facility. The surcharge imposed pursuant to this section  
7 may be referred to as the "food recovery and composting  
8 surcharge".

9                   B. The surcharge imposed by this section shall be  
10 administered in accordance with the provisions of the Tax  
11 Administration Act and shall be paid to the taxation and  
12 revenue department by each solid waste facility that processes  
13 solid waste pursuant to Subsection A of this section in the  
14 form and manner required by that department on or before the  
15 twenty-fifth day of the month following the month in which the  
16 solid waste is processed. The taxation and revenue department  
17 may retain an administrative fee of up to three percent of the  
18 amount collected.

19                   C. Beginning January 1, 2027, and every January 1  
20 thereafter, the department shall publish a report on the amount  
21 of money collected pursuant to this section broken down by the  
22 number of tons of solid waste processed at each solid waste  
23 facility.

24                   SECTION 7. Section 7-1-2 NMSA 1978 (being Laws 1965,  
25 Chapter 248, Section 2, as amended) is amended to read:

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1                   "7-1-2. APPLICABILITY.--The Tax Administration Act  
2 applies to and governs:

3                   A. the administration and enforcement of the  
4 following taxes or tax acts as they now exist or may hereafter  
5 be amended:

- 6                   (1) Income Tax Act;
- 7                   (2) Withholding Tax Act;
- 8                   (3) Oil and Gas Proceeds and Pass-Through  
9 Entity Withholding Tax Act;
- 10                   (4) Gross Receipts and Compensating Tax Act,  
11 Interstate Telecommunications Gross Receipts Tax Act and Leased  
12 Vehicle Gross Receipts Tax Act;
- 13                   (5) Liquor Excise Tax Act;
- 14                   (6) Local Liquor Excise Tax Act;
- 15                   (7) any municipal local option gross receipts  
16 tax or municipal compensating tax;
- 17                   (8) any county local option gross receipts tax  
18 or county compensating tax;
- 19                   (9) Special Fuels Supplier Tax Act;
- 20                   (10) Gasoline Tax Act;
- 21                   (11) petroleum products loading fee, which fee  
22 shall be considered a tax for the purpose of the Tax  
23 Administration Act;
- 24                   (12) Alternative Fuel Tax Act;
- 25                   (13) Cigarette Tax Act;

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- (14) Estate Tax Act;
- (15) Railroad Car Company Tax Act;
- (16) Investment Credit Act, rural job tax credit, Laboratory Partnership with Small Business Tax Credit Act, Technology Jobs and Research and Development Tax Credit Act, Film Production Tax Credit Act, Affordable Housing Tax Credit Act and high-wage jobs tax credit;
- (17) Corporate Income and Franchise Tax Act;
- (18) Uniform Division of Income for Tax Purposes Act;
- (19) Multistate Tax Compact;
- (20) Tobacco Products Tax Act;
- (21) the telecommunications relay service surcharge imposed by Section 63-9F-11 NMSA 1978, which surcharge shall be considered a tax for the purposes of the Tax Administration Act;
- (22) the Insurance Premium Tax Act;
- (23) the Health Care Quality Surcharge Act;
- (24) the Cannabis Tax Act; ~~[and]~~
- (25) the Health Care Delivery and Access Act;

and

- (26) the Food Recovery and Composting Act;

B. the administration and enforcement of the following taxes, surtaxes, advanced payments or tax acts as they now exist or may hereafter be amended:

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- (1) Resources Excise Tax Act;
- (2) Severance Tax Act;
- (3) any severance surtax;
- (4) Oil and Gas Severance Tax Act;
- (5) Oil and Gas Conservation Tax Act;
- (6) Oil and Gas Emergency School Tax Act;
- (7) Oil and Gas Ad Valorem Production Tax Act;
- (8) Natural Gas Processors Tax Act;
- (9) Oil and Gas Production Equipment Ad Valorem Tax Act;
- (10) Copper Production Ad Valorem Tax Act;
- (11) any advance payment required to be made by any act specified in this subsection, which advance payment shall be considered a tax for the purposes of the Tax Administration Act;
- (12) Enhanced Oil Recovery Act;
- (13) Natural Gas and Crude Oil Production Incentive Act; and
- (14) intergovernmental production tax credit and intergovernmental production equipment tax credit;

C. the administration and enforcement of the following taxes, surcharges, fees or acts as they now exist or may hereafter be amended:

- (1) Weight Distance Tax Act;
- (2) the workers' compensation fee authorized

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1 by Section 52-5-19 NMSA 1978, which fee shall be considered a  
2 tax for purposes of the Tax Administration Act;

3 (3) Uniform Unclaimed Property Act (1995);

4 (4) 911 emergency surcharge and the network  
5 and database surcharge, which surcharges shall be considered  
6 taxes for purposes of the Tax Administration Act;

7 (5) the solid waste assessment fee authorized  
8 by the Solid Waste Act, which fee shall be considered a tax for  
9 purposes of the Tax Administration Act;

10 (6) the water conservation fee imposed by  
11 Section 74-1-13 NMSA 1978, which fee shall be considered a tax  
12 for the purposes of the Tax Administration Act; and

13 (7) the gaming tax imposed pursuant to the  
14 Gaming Control Act; and

15 D. the administration and enforcement of all other  
16 laws, with respect to which the department is charged with  
17 responsibilities pursuant to the Tax Administration Act, but  
18 only to the extent that the other laws do not conflict with the  
19 Tax Administration Act."

20 SECTION 8. A new section of the Tax Administration Act,  
21 Section 7-1-6.74 NMSA 1978, is enacted to read:

22 "7-1-6.74. [NEW MATERIAL] DISTRIBUTION--FOOD RECOVERY AND  
23 COMPOSTING SURCHARGE.--A distribution pursuant to Section  
24 7-1-6.1 NMSA 1978 of the net receipts attributable to the food  
25 recovery and composting surcharge shall be distributed to the

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1 food recovery and composting fund."

2 **SECTION 9. EFFECTIVE DATE.**--The effective date of the  
3 provisions of this act is July 1, 2026.

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