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FISCAL IMPACT REPORT

BILL NUMBER: Senate Bill 72

SHORT TITLE: Former Legislators as Lobbyists

SPONSOR: Pope

LAST ORIGINAL
UPDATE: _____ **DATE:** 2/11/2026 **ANALYST:** Esquibel

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
SOS		Minimal	Minimal	Minimal	Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency or Agencies Providing Analysis

Secretary of State's Office

State Ethics Commission

SUMMARY

Synopsis of Senate Bill 72

Senate Bill 72 (SB72) proposes prohibiting legislators from accepting compensation as lobbyists for a period of two years after their service, prohibits employers of lobbyists from compensating former legislators as lobbyists for two years after service, and requires a lobbyist to file a statement at the time of registration stating whether or not they have been a legislator in the past two years. The Secretary of State (SOS) would be required to notify the lobbyist's employers and provides for penalties under the Lobbyist Regulation Act.

The effective date of this bill is January 1, 2027.

FISCAL IMPLICATIONS

SOS reports the additional filings and notifications required in the bill could be incorporated in the office's new ethics e-file system, with the fiscal impact being minimal to support ongoing IT maintenance.

SIGNIFICANT ISSUES

SOS reports the Attorney General is responsible for investigating alleged violations of the Lobbyist Regulation Act, and any person who knowingly violates provisions of the act is guilty of a misdemeanor and may be fined up to \$5,000.

OTHER SUBSTANTIVE ISSUES

The State Ethics Commission reports state law prohibits former executive branch employees from representing a client before their former employer during the one-year period following their separation and permanently prohibits former executive-branch employees from representing clients on a matter the former employee participated in personally and substantially while in state service. [See NMSA 1978, § 10-16-8(B), (D) (2011).]

RAE/SEC/dw/ct