



2026

NEW MEXICO LEGISLATIVE

SUMMARY

**GREATER
ALBUQUERQUE** 
CHAMBER OF COMMERCE

Photo credit: Albuquerque Journal

THE SESSION THAT DELIVERED

Fast and Furious

A “budget” session and then some — it started fast and ended in a flurry of activity. It’s a 30-day session unlike any we’ve seen before. In her last legislative session, Gov. Lujan Grisham deftly drove an aggressive agenda, aimed at tackling some big issues, wrapping up loose ends and tying a bow around her legacy. The Legislature responded with urgency, delivering on the most important needs but still refusing to budge on public safety improvements.

Flatter Revenues — Universal Child Care Funded

The most important deliverable from any session is the next fiscal year budget. Due to lower oil prices, the growth of state revenues slowed as oil and gas taxes produce almost 40% of the state general fund budget and are the key donors to several of the state’s trust funds. Revenue growth for FY 2027 was estimated at 2.3%, paling in comparison to nearly unbridled revenue growth over the last seven years. Total revenues were estimated at slightly above \$13 billion slowing recurring (ongoing) spending to \$11.1 billion – a 2.65% growth rate. One-time appropriations from revenue growth and transfers from other funds is about \$3 billion, some of which is spent on one-time projects and programs and some is tucked away in reserves. Total reserves will be about 28% of recurring spending. The biggest budget issue between the governor and the Legislature was funding universal child care. The Legislature proposed some co-pays, which were included but only are implemented if certain triggers are met, for example, if oil drops below \$50 a barrel.

Medical Malpractice Reform ... Finally

Passage of medical malpractice reform was the star achievement of the session. A bipartisan coalition in the House delivered a well-balanced proposal to cap punitive damage awards, increase the legal threshold for punitive damages and address other problems in current law.



Photo credit: Albuquerque Journal

Several amendments that would have made sweeping changes were attached in the Senate Judiciary Committee, but were stripped from the bill during Senate floor debate.

The original bill was sent to the governor. Strong citizen involvement, a united coalition, strong legislative leadership and the governor’s relentless backing finally overcame years of legislative intransigence. Other important steps were taken to attract and retain health care professionals in the state including an expansion of the loan repayment program, a \$10,000 physician income tax credit for practicing in state and a \$540 million investment in constructing a new medical school at University of New Mexico.

Medical Malpractice Reform, Quantum Computing / Fusion Energy Investments, Roads Get \$1.5 billion – Anti Biz Legislation Stopped

Big Investments in Growing the Economy

After years of advocacy for major investments, a \$1.7 billion appropriation was made to advance quantum computing, fusion energy and Artificial Intelligence (AI) development aimed at expanding combined research of our labs, universities and private sector leading to commercial products that will be developed and manufactured in New Mexico. One goal is to position New Mexico as a center for quantum advancement.

Other important economic development investments include a \$1.5 billion road bond package to address the \$7.5 billion backlog in road construction, maintenance and repair. Ninety-two million dollars of revenue bonds were approved to being the process of redeveloping the state fairgrounds and improving the surrounding neighborhoods. UNM received \$30M to improve the football stadium.

Improved Math and Reading Requirements ... Child Care for All

Also coming to fruition was mandating the teaching of structured literacy through the science of reading statewide, a national practice which has proven to improve student achievement dramatically. This initiative has long been advocated by the Chamber. A new mandate for teaching mathematics was also enacted. Though it will take time, these two initiatives, if properly implemented, should vastly improve student achievement. While not without controversy, the implementation of universal child care should help parents meet work requirements and/or pursue additional education and training.

It Wasn’t All Unicorns and Rainbows ...

While this was the session that delivered in many important ways, we were disappointed that critical crime fighting legislation including increased penalties for felons possessing firearms, pretrial detention, juvenile crime reform and increased penalties for human trafficking and fentanyl dealing were not addressed. The Legislature also passed only two of 10 interstate medical licensure compacts that allow health care professionals to practice in New Mexico, helping to increase patient access to care. While these missed opportunities were disappointing, on the positive side neither the economy busting zero emissions bill nor the proposed constitutional amendment to re-introduce a state school board and superintendent passed.

Leadership and Advocacy Made the Difference

The session delivered due in no small part to the leadership of Governor Michelle Lujan Grisham, especially in her final year in office. That is a remarkable accomplishment and she deserves real credit. But this session also delivered because of the consistent, tenacious advocacy of the Chamber and our partners. We contributed to moving the needle — making New Mexico more competitive as a place to do business and an exciting place to live and raise a family. We’re proud of that work.



Photo credit: Albuquerque Journal

THE GREATER ALBUQUERQUE CHAMBER OF COMMERCE:
An Effective Advocate for Economic Growth

Dear Chamber Investors,

The Greater Albuquerque Chamber of Commerce works with government, business and community partners to promote and develop a welcoming business environment and thriving, diverse economy in New Mexico. Our goal is to make our city and state a great place to start and grow a business and a safe, exciting place to work and raise a family.

To that end, the Chamber’s Board of Directors establishes specific legislative priorities ahead of each session to further its broad economic policy goals, including tax reform, education, public safety and downtown revitalization. It’s legislative team, which includes business leaders, lobbyists, policy experts and skilled communicators, works to realize them.

This session we were able to collaborate with partners and the public to enact long overdue medical malpractice reform and incentives to train, attract and retain physicians and other health care professionals in our state in order to begin rebuilding a health care system with ready patient access to quality care which rests upon a solid financial foundation. Also, with partners, we saw a \$1.7 billion economic development package signed into law which boldly strives to build a new economy based on advanced job creating technologies such as fusion energy, quantum computing and AI applications.

In addition, we saw leading reading and math teaching methods embedded in law to boost student achievement statewide, a goal long sought by our Chamber. We supported several infrastructure development and improvement projects, including \$1.2 billion for roads, \$540 million for a new medical school and \$92 million to begin addressing modernization of the state fairgrounds and the adjacent neighborhood. We were able to prevent enactment of a sweeping environmental zero emissions regulatory schema that would have brought economic turmoil to the state. Unfortunately, this Legislature missed the opportunity to strengthen the criminal justice system, especially regarding juvenile crime and also enacted only two of 10 interstate medical licensure compacts.

This publication summarizes the Chamber’s advocacy work at the Roundhouse this year, as well as what remains to be done. The Chamber continues to work with our many important partners on both sides of the aisle to advance and defend business interests, and we extend our deepest thanks to our investors for making this work possible. It is an honor and privilege to represent the business community at the State Capitol.

Sincerely,



Peter Lorenz

Peter Lorenz
GACC Chairman of the Board
CEO, Unirac



Terri Cole

Terri Cole,
President and CEO
Greater ABQ Chamber of Commerce



Sherman McCorkle

Sherman McCorkle,
GACC Legislative Advocacy Chair
CEO, Sandia Science & Technology
Park Development Corp.



Photo credit: Marc Christensen

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“What we appreciate most about this session is this: if anyone from outside New Mexico were watching, they would come away with the sense that this is a state that is serious about being a welcoming, competitive place to grow a business, live and work that will give our state an advantage going forward.”

Peter Lorenz, GACC Board Chairman

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SIGNATURE SUCCESSES

Health Care: Passed Legislation

MALPRACTICE REFORM

Strong bipartisan sponsorship backed by a coalition of citizens, practitioners, patients, business community and health care industry advocates overcame legislative resistance to pass reforms which fairly balance patient and physician interests. The bill:

- Places caps on the amount that can be recovered in punitive damages, the threat of which is often used to leverage higher settlements than the facts would support. Also, a plaintiff must convince a judge with clear and convincing evidence that there is merit in filing for punitive damages and must first file for recovery of actual damages and largely complete discovery before being allowed to assert punitive damages — which raises the legal threshold for award of punitive damages.
- Caps on punitive damages are as follows: ndependent providers = \$900,000; independent outpatient health care facilities = \$1,000,000; hospitals; hospital-controlled outpatient facilities owned by a New Mexican = \$6,000,000; hospitals owned by out of state corporations or large systems (private equity firms) = \$15,000,000.
- Creates one “occurrence” of injury no matter how many healthcare professionals were involved, thus limiting the number of lawsuits that can be filed.
- Prohibits lump sum payment for injuries but instead requires that a patient’s ongoing medical costs be paid as incurred. This eliminates an incentive to sue since attorney fees are a percentage of the award and a lump sum offers an attractive target.



Photo credit: Albuquerque Journal



SIGNATURE SUCCESSES

Health Care: Passed Legislation

PHYSICIAN RECRUITMENT AND INCENTIVES

The shortage of doctors is a nationwide problem and states are offering incentives to attract physicians to practice in their jurisdictions through various incentives. New Mexico needed to up its game to be competitive by:

- Strengthening the physician and health care provider loan reimbursement program. Legislation funded \$25 million to hopefully meet the number of applicants applying for loan repayment assistance. Doctors may receive up to \$75,000 per year for each of four years so long as they practice in New Mexico. This is on a par with what other states offer. It’s common for newly minted doctors to have incurred \$200,000 or more in medical school debt. Recipients must pay back any grants if they do not fulfill their commitments to the state. At least one half of the fund must be reserved for doctors while other healthcare professionals can also apply, funds permitting.
- Physicians practicing full time in New Mexico are eligible for a \$10,000 nonrefundable income tax credit that can be carried forward if the credit exceeds the tax liability in any one year. This places New Mexico at the top of the pack among all states.
- When constructed, the new medical school at UNM will double the number of available slots and significantly expand clinical care which is vital to physician and other healthcare professional training.
- Two interstate health care licensure compacts were passed: one allowing physicians from other states to practice in New Mexico. This is very important for specialists which are in significant shortage and can often consult via telemedicine, saving patients expensive out of state trips. The second compact allows social workers to practice in New Mexico, an area critical for addressing child protective services as well as behavioral health needs.
- A significant overhaul of the “harm to self and others” definitions in statute will lead not only to greater public safety but, as important, will help divert individuals in need of mental health or addiction recovery assistance to proper behavioral health services.



Photo credit: Albuquerque Journal

SIGNATURE SUCCESSES

Economic Development: Passed Legislation

QUANTUM COMPUTING AND FUSION ENERGY TECHNOLOGIES

The Legislature recognized the unique but transitory opportunity to establish New Mexico as a leader in converting emerging technologies, produced by our world class research institutions, into job rich product development and manufacturing opportunities. Investment and incentives were put into place to seize the moment. Examples of what the legislation provides:

- \$1.7 billion in investment to promote technologies such as quantum computing, fusion energy and AI applications in order to establish New Mexico as one of a few critical international development hubs.
- \$114 million for establishing a quantum computing testbed to be matched by federal funds.
- \$129 million for quantum and advanced energy faculty endowments.
- \$135 million to support the New Mexico Quantum Institute.
- \$118 million for advanced technology federal mission opportunities.
- \$37.5 million for quantum startup support.
- \$49.3 million for matching federal DARPA projects (The Defense Advanced Research Projects Agency — elite research and development agency).
- \$25 million for advanced energy/fusion energy tax credits.

SIGNATURE SUCCESSES

Economic Development: Passed Legislation

HOUSING

The housing shortage attracted attention with two steps taken in the right direction, with more work to be done:

- GRT deduction on affordable housing construction materials and labor — applies only to multifamily housing qualifying under the affordable housing act.
- Creation of the New Homes for New Mexico Act, which will provide zero interest loans up to \$75,000 to first-time homebuyers whose incomes are 120% or less of area median income.

MAJOR CAPITAL PROJECTS

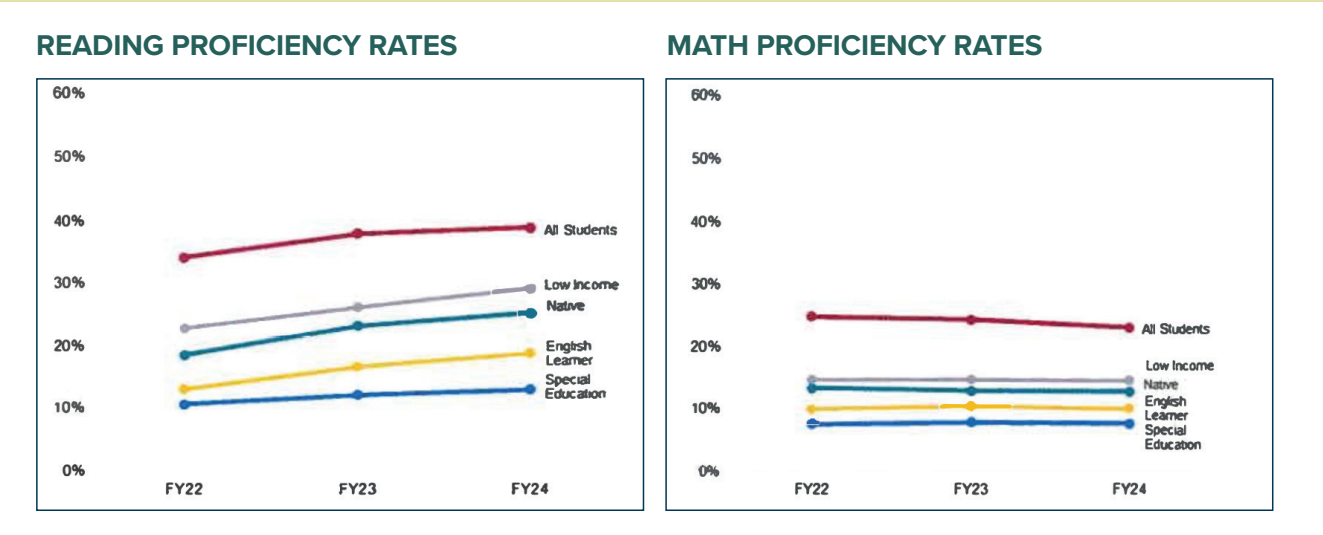
The housing shortage attracted attention with two steps taken in the right direction, with more work to be done:

- Capital Investments create jobs and facilitate the flow of commerce particularly if they are for large transformative projects.
- \$1.5 billion bond fund to undertake new road construction projects along with over \$300 million of general fund monies to support road maintenance needs. This is on top of ongoing road funding.
- \$1.3 billion in capital outlay funding for over 1,300 projects statewide.
- \$540 million (from several sources) to construct a new medical school at UNM.
- \$92 million in severance tax bonds to begin state fairgrounds and neighborhood revitalization. Also \$30 million for state fair improvements and \$70 million towards an event center.
- \$30 million for renovation of the UNM football stadium.

SIGNATURE SUCCESSES

Education: Passed Legislation

As the chart below illustrates, student proficiency continues to languish despite enormous increases in spending on public education over the last several years. Senate education leaders at long last overcame institutional resistance to enact instruction requirements that, based on successes in other states, will hopefully begin the long march towards educational excellence.



Source: Legislative Finance Committee

READING AND MATH

For more than 20 years, the Chamber has been a leader in advocating for an increased emphasis on reading competency.

A child must learn to read before they can read to learn. Without this fundamental skill established by the third grade, it's all too likely that children will not be able to adequately advance in later years. The most powerful tool in ending intergenerational poverty is quality education. This year, Senate education leaders were able to push through two very transformative initiatives:

- The first is a statewide requirement that reading be taught according to what's known as structured literacy as developed through the science of reading methodology. The state of Mississippi adopted this approach, which relies on performance feedback and intervention as well as parent involvement, transforming reading competency from last in national rankings to national average or better within about a decade. Structured literacy works regardless of first language preference and social economic status. The method is used worldwide with consistent positive results.
- In a similar vein, new requirements have been put in place for teacher licensure and math endorsement, and expanding the Public Education Department's monitoring and technical assistance responsibilities for instructional materials and math plans. Schools are required to administer a math screening test to every student in kindergarten through third grade and schools are required to notify parents about the results and provide interventions for struggling students.

SIGNATURE SUCCESSES

Education: Passed Legislation

UNIVERSAL CHILD CARE

- The creation of universal childcare is a step in the right direction, freeing parents to work and/or pursue education while children get early learning and social development.
- The cost of the program — some \$700-plus million over the next five years when fully implemented — concerns fiscal watchdogs as to whether this level of spending can be sustained.
- Developing the number of caregivers needed and recognizing the value of a stay-at-home parent with financial support are unresolved issues.
- There are economic “triggers” in the authorizing legislation to require co-pays if, for example, the price per barrel of oil falls to \$50 (the current price is well above this benchmark).

CHARTER SCHOOLS

- Once again, no adverse charter school legislation — such as capping the number of charter schools, bans on opening new charter schools, etc. — was introduced or considered.
- Compromise legislation was passed to sort out the expansion and oversight of online learning but without any adverse effects to existing programs or potential for future growth. The legislation was stimulated by an unfortunate confluence of adverse events resulting in a significant financial issue.



Photo credit: Albuquerque Journal



SIGNATURE SUCCESSES

Stopped Legislation



Quite often, what doesn't pass is as important as what does, especially for the business community. The composition of both chambers continues to be dominated by public sector employees and community organizers with few actual "have to meet a payroll" business people. Consequently, it is difficult to pass legislation that helps private companies but business has been more successful stopping unfavorable bills.

Here are some very important things that didn't happen:

- The zero emissions, so-called clear horizons, bill failed again this year. The legislation is aimed at enshrining the governor's climate initiative (issued by executive order) in statute. If passed, state law would lock in increasingly stringent regulations to achieve net zero emissions by 2050 as compared to the base year of 2005. There's no secret here, the oil and gas industry is the largest target in the crosshairs of this ill-advised initiative. But, nearly every business in the state was negatively affected and stood in opposition, which is why we were able to defeat it. The evidence is clear in every state that adopted similar regulations, the price of gasoline and electricity are among the highest in the nation.
- Another proposal to recreate a state school board and state superintendent of public instruction was once again introduced — this time to have the board appointed rather than elected. We understand the frustration engendered by rapid turnover in the Secretary of Education position in this administration. However, we continue to support the current structure and assert that the problem isn't in the governance structure of education but rather that lack of focus on student achievement. This proposal was stopped at its first committee hearing.
- Two memorials seeking to explore state ownership of utility stocks were shelved at their first committee hearings. The state's utilities face enormous financing challenges in order to meet the clean energy goals of the Energy Transition Act. Having state government meddle in utility management is hardly a helping hand.
- Paid Family Medical Leave and minimum wage increases did not surface in this session, likely because of the short timeframe and, perhaps, lack of support from either the governor or legislative leaders to fight these battles again, especially in a short session. This doesn't mean we won't see these old nemeses again.

MISSED OPPORTUNITIES

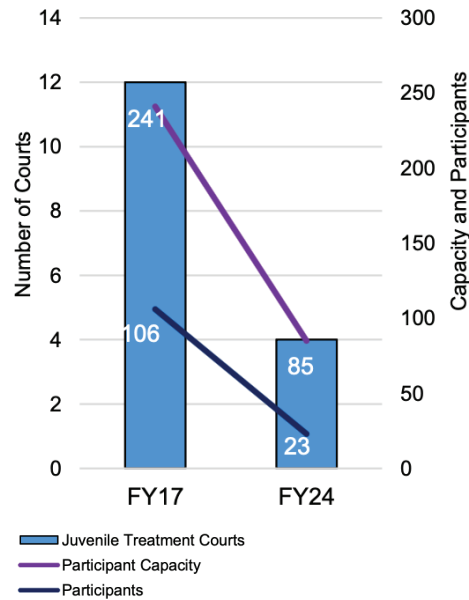
JUVENILE CRIME

Once again, the Legislature failed to pass comprehensive reform to the Delinquency Act that would recognize that many youthful offenders are increasingly involved in commission of serious violent crimes and, as such, should face consequences commiserate with the offense. While recent trends show a slight decline in overall juvenile crime, the severity of the crimes is increasing. For example, more than one child is arrested with a gun every day in New Mexico. Our state ranks No. 1 in the nation for the number of youths murdered per capita. Increasingly, youth are leading the way in gang participation, drug running, human trafficking, auto theft and battery. Comprehensive legislation that proposed revisions to 18 sections of the Delinquency Act — including treating serious offenders as adults, facilitating diversion to treatment programs and reducing the number of offenders simply released into the community — didn't even receive a serious hearing. It's the second session in a row this has happened, despite strong support from the Governor's Office. Another issue to be addressed is the lack of behavioral health services and juvenile treatment court capacity.

PUBLIC SAFETY

As has been the case for at least the last decade, legislative leaders cling fast to the notion that increased penalties are not a deterrent and that diversion and treatment are the only viable solutions. We have supported the revitalization of the behavioral health system, which is especially applicable in addressing nonviolent crimes such as addiction. However, we also assert that there must be real consequences to commission of serious crimes on a par with punishment under federal statutes.

NUMBER OF JUVENILE TREATMENT COURTS AND CAPACITY



Source: LFC analysis of Administrative Office of the Courts data.

Specifically, increasing the penalty for felons in possession of a firearm (they're not supposed to have them at all); trafficking fentanyl; sex crimes involving minors; illegal theft, sale and possession of firearms and reducing the "catch-and-release" cycle by holding violent offenders in jail pending trial all fail to get out of the first committee hearing. The balance between treatment and deterrence through punishment and incarceration is badly out of whack.

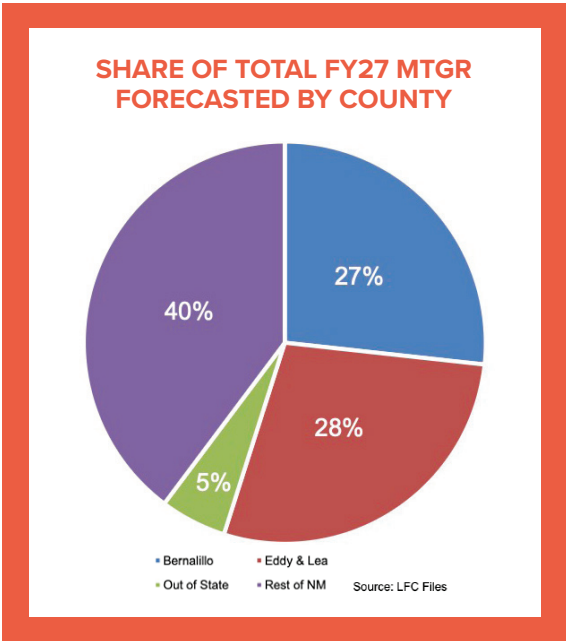


MISSSED OPPORTUNITIES

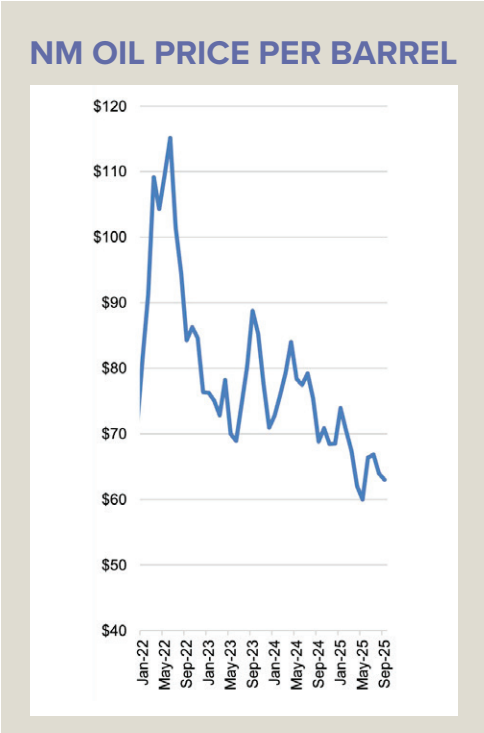
HEALTH CARE COMPACTS & GRT

The good news is that two interstate licensure compact bills were passed and signed by the governor: one for physicians and one for social workers (NM already participates in the Nursing Compact). These compacts facilitate health care professionals from other states to practice in New Mexico. According to the New Mexico Medical Board, joining the physician compact will result in an increase of 10-15% in the number of doctors applying to practice in New Mexico annually. Accessing specialists via telehealth is especially important.

Unfortunately, eight other health care worker compacts passed the House unanimously but did not get passed out of the Senate committee structure. This is deeply disappointing since New Mexico also has dire shortages of EMTs, dentists, psychologists, counselors, physician assistants, physical therapists, occupational therapists, speech therapists and audiologists. Our neighboring states embrace many more compacts: Colorado 9; Arizona 6; Texas 5; Oklahoma 8 and Utah 11. New Mexico alone among the 50 states, imposes gross receipts (similar to sales tax in other states) on medical services.



Source: Legislative Finance Committee



Source: Legislative Finance Committee

Exempting medical services will save patients money and remove another obstacle in the way of keeping physicians in our state. Despite record revenues over the last seven years, little progress has been made in reforming the GRT which places New Mexico small businesses at a competitive disadvantage relative to large corporations and out of state firms.

TAX REFORM

Once again, neither the administration nor the governor proposed meaningful tax reform or tax reduction. At more or less the last minute, a so-called “tax package” was cobbled together with some positive things in the bill such as extending the high wage job tax credit for another 10 years. The problem is that corporate income taxes were increased to pay for the tax incentives offered in the legislation — a classic rob Peter to pay Paul. With all the largess over the last several years, it is disappointing that little progress has been made on reforming the GRT or otherwise reducing the tax burden to taxpayers, especially small businesses.

VOICES SHAPING THE DEBATE



Medical Malpractice

“With this bill, we’re not choosing between patients and providers we’re choosing both. HB99 protects patients who have been harmed by medical malpractice while making it possible for physicians to practice here without fear of bankruptcy.”

— Governor Michelle Lujan Grisham, upon passage of HB99



New Medical School

“We’re not a poor state. We have to take our money and invest it correctly, and this is one of those things that tells you this is what you need in New Mexico, and we’re investing it right- give them the full amount and build this school of medicine.”

— Senator George Muñoz, sponsor of SB6 to fund the UNM School of Medicine



Clear Horizons Bill

“Yes, we want clean air and clean water, but we don’t want to shut down civilization to get there - and so I think this was a good sign that there are enough senators ready to do common sense legislation and do the right thing for New Mexico.”

— Senator Bill Sharer on Senate defeat of the Clear Horizons Bill

“You’ve all heard about the Mississippi miracle. The Mississippi miracle on the NAEP scores- they always fought with us for last. Well, we are now thoroughly last and Mississippi is in the middle of the pack. And how did they do that? In 2014 they passed a law like this in front of you today.”

Senate President Pro Tempore, Mimi Stewart on Senate floor passage of the “Science of Reading Bill.”



Healthcare Hub

“We think of this building as being the hub for our health professions and school of medicine that would exist for the next 50 to 60 years for the state of New Mexico.”

— Dr. Mike Richards, UNM Health Sciences EVP & CEO

THE STATE BUDGET

THE PARTY’S OVER

Since 2017, due to extraordinary increases in the amount of Permian Basin oil and gas production coupled with relatively high prices, the state treasury has overflowed with bounty. The top chart on the left shows historical oil prices and the middle chart shows both historical and projected oil production. Oil and gas revenues account for almost 40% of the general fund and pump significant dollars into various trust funds that support public education and early childhood programs among other state agencies and programs.

Often overlooked, is the considerable amount of GRT revenue (bottom chart) generated in Eddy and Lea counties — slightly more than Bernalillo County, the population center of the state. As oil and gas production goes, so goes the state revenue as there is very little growth in other state revenues — in fact, corporate income tax receipts have declined.

The forecasted state revenues for the next fiscal year (2027) are predicated on a conservative price of oil at around \$57 per barrel. Of course, this price and level of production are heavily influenced by global events. An upward trend, would, of course, benefit the treasury but increase prices for consumers.

The flattening of oil and gas revenues doesn’t come as a surprise. Budget planners, both in the administration and the Legislature, have anticipated this turn of events, implementing a three-pronged strategy: increase ongoing program expenses at levels that are sustainable over the long run; tuck plenty away in various trust funds and fund one-time projects, such as road improvements and economic development projects, that will help commerce and broaden the state’s economic base.

Public Education and Medicaid account for almost two-thirds of general fund expenditures (Medicaid receives significant federal funding, though some recent federal budget reductions have resulted in the state picking up some additional costs). The state also has about 28% of recurring revenues stashed in contingency or “rainy day” funds to fill in gaps that may occur.



Photo credit: Albuquerque Journal

Highlights of the FY 2027 General Fund Budget

- Total estimated revenues approximately \$13.1 billion.
- Recurring spending \$11.2 billion — 2.65% increase over FY 26 (lowest rate of growth in several years).
- Total state spending, including federal fund reimbursements for Medicaid and transportation = \$33.95 billion.
- Universal child care fully funded (no copays unless certain economic triggers are reached).
- 1% salary increase for all state and public education employees.
- State contribution to health care premiums increased — 80/20 ratio — same as educators receive — 20% increase — pretax savings to employees.
- \$445.1 million from the general fund to capital outlay projects (total \$1.3 billion) — depending on oil and gas revenues, could be the last year for big capital outlay spending.

AT A GLANCE: 2026 LEGISLATIVE SESSION



Composition of the Legislature

NM House of Representatives	70 members (44 Democrats, 26 Republicans)
NM Senate	42 members (26 Democrats, 16 Republicans)

Legislation Introduced and Passed – 30 Days

Bills, resolutions, and memorials introduced **compared to 2022 (502) and 2024 (661)	686
Bills sent to the Governor	70
Bills vetoed by the Governor	3

Governor Vetoes, Challenges Legislation

HB 96 – proposed creation of Spaceport Working Group to study feasibility of creating a Spaceport Commission.

HB 153 – proposed rebates for use of low carbon construction materials (Governor will implement administratively).

HB 180 – proposed to update the processes for declaring and providing funds for dealing with natural disasters.

The Greater Albuquerque Chamber of Commerce Collaborative, Community Minded Problem Solvers and Business Advocates

GACC Legislative Team

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Chairman of the Board

Terri Cole
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Photo credit: GACC

LOOKING AHEAD TO THE 2027 LEGISLATIVE SESSION

The dynamics of the 60-day 2027 General Session, the first session of the 58th Legislature, will be shaped by the election of a new governor and the relationship that is formed between the governor, administration officials and legislative leaders. Of course, the dynamics will be quite different if a Republican is elected governor compared to a Democrat. However, in the recent past, even Democratic governors have had issues with one chamber or the other — personalities and egos matter.

Elections: Senate seats are not up for election in 2026. Five members of the House have announced that they are not seeking reelection. Some additional turnover is likely due to election outcomes, however, by and large it is reasonable to expect stability in legislative leadership and committee chairs. This could possibly give the Legislature a leg up on the governor during the early going as the new administration seeks to gain its footing.

Volatile Energy Prices: Any session begins and ends with money. Amidst uncertain global energy markets, it’s hard to say what the impact on revenue and employment might be. In a state highly dependent on the energy industry, one can bet that fiscal watchdogs are carefully monitoring this situation. While the state is well prepared to weather short-term economic storms, major impacts on capital spending and government growth are up for grabs at this point. This could have significant effect on extending economic development incentives.

“Medicaid for All”: It’s also clear from statements made by legislative leaders that an agenda is already emerging. Included in this agenda are proposals to adopt a single-payer “Medicaid for all” health care system that could fully eliminate private insurance, radically change employer benefit packages and require a significant tax increase. If adopted, New Mexico would be on the bleeding edge of change — no other state has adopted such a system. Vermont backed out of its plan due to the high taxation required and only New York, California and Oregon are rambling down this path with uncertain outcomes ahead. Whether paid family medical leave reemerges is an interesting question, especially if the emphasis is on single-payer health care. Both programs are very costly.

Compacts: Also, on the health care agenda will be reconsidering joining the eight health care compacts that have passed the House nearly unanimously for two sessions in a row but have been bottled up in the Senate. 2027 will hopefully be the year when the log jam is broken. Reform and/or restructuring the Children, Youth and Family Department will be a hot topic as legislators continue to be dissatisfied with CYFD operations and outcomes.

Public Safety: On the public safety front, various proposals to curb gun violence and to punish illegal sale and transfer of firearms will emerge once again. Reform of the juvenile justice system awaits serious attention — to date, committees have been sweeping the issue under the rug. And, of course, there’s the standing list of anti-crime legislation that still needs to be addressed.

“Zero Emissions”: Whether there is enthusiasm for pursuing the “net zero emissions” legislation one more time will likely be influenced by the outlook of the new governor. This was a priority for Gov. Lujan Grisham. As the ball lies now, this climate initiative is embodied in an executive order which the new governor can keep, discard or modify.

Unique Character: As we’ve often said, every session is different. It’s an organic process, taking on its own life and character, influenced by public sentiment, political agendas, personal agendas, interpersonal conflicts, the national and international scenes and current events. What we’ve learned is that successful advocacy is built on the foundation of solid guiding principles, clearly articulated and steadfastly applied. The upcoming session will present its own challenges and opportunities and we’ll be there to represent the business community as we strive to make New Mexico that great place to do business, to enjoy and to raise a family.



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Powering New Mexico, Together