

1 HOUSE BILL 2
2 57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025
3 INTRODUCED BY
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10 AN ACT
11 MAKING GENERAL APPROPRIATIONS AND AUTHORIZING EXPENDITURES BY
12 STATE AGENCIES REQUIRED BY LAW.
13

14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

15 SECTION 1. SHORT TITLE.--This act may be cited as the
16 "General Appropriation Act of 2025".

17 SECTION 2. DEFINITIONS.--As used in the General
18 Appropriation Act of 2025:

19 A. "agency" means an office, department, agency,
20 institution, board, bureau, commission, court, district
21 attorney, council or committee of state government;

22 B. "efficiency" means the measure of the degree to
23 which services are efficient and productive and is often
24 expressed in terms of dollars or time per unit of output;

25 C. "explanatory" means information that can help

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1 users to understand reported performance measures and to
2 evaluate the significance of underlying factors that may have
3 affected the reported information;

4 D. "federal funds" means any payments by the United
5 States government to state governments or agencies except those
6 payments made in accordance with the federal Mineral Leasing
7 Act;

8 E. "general fund" means that fund created by
9 Section 6-4-2 NMSA 1978 and includes federal Mineral Leasing
10 Act receipts and those payments made in accordance with the
11 federal block grant and the federal Workforce Investment Act of
12 1998 but excludes the general fund operating reserve, the
13 appropriation contingency fund, the tax stabilization reserve
14 and any other fund, reserve or account from which general
15 appropriations are restricted by law;

16 F. "interagency transfers" means revenue, other
17 than internal service funds, legally transferred from one
18 agency to another;

19 G. "internal service funds" means:

20 (1) revenue transferred to an agency for the
21 financing of goods or services to another agency on a
22 cost-reimbursement basis; and

23 (2) balances in agency internal service fund
24 accounts appropriated by the General Appropriation Act of 2025;

25 H. "other state funds" means:

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1 (1) nonreverting balances in agency accounts,
2 other than in internal service funds accounts, appropriated by
3 the General Appropriation Act of 2025;

4 (2) all revenue available to agencies from
5 sources other than the general fund, internal service funds,
6 interagency transfers and federal funds; and

7 (3) all revenue, the use of which is
8 restricted by statute or agreement;

9 I. "outcome" means the measure of the actual impact
10 or public benefit of a program;

11 J. "output" means the measure of the volume of work
12 completed or the level of actual services or products delivered
13 by a program;

14 K. "performance measure" means a quantitative or
15 qualitative indicator used to assess a program;

16 L. "quality" means the measure of the quality of a
17 good or service produced and is often an indicator of the
18 timeliness, reliability or safety of services or products
19 produced by a program;

20 M. "revenue" means all money received by an agency
21 from sources external to that agency, net of refunds and other
22 correcting transactions, other than from issue of debt,
23 liquidation of investments or as agent or trustee for other
24 governmental entities or private persons; and

25 N. "target" means the expected level of performance

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1 of a program's performance measures.

2 SECTION 3. GENERAL PROVISIONS.--

3 A. Amounts set out under column headings are
4 expressed in thousands of dollars.

5 B. Amounts set out under column headings are
6 appropriated from the source indicated by the column heading.
7 All amounts set out under the column heading "Internal Service
8 Funds/Interagency Transfers" are intergovernmental transfers
9 and do not represent a portion of total state government
10 appropriations. All information designated as "Total" or
11 "Subtotal" is provided for information and amounts are not
12 appropriations.

13 C. Amounts set out in Section 4 of the General
14 Appropriation Act of 2025, or so much as may be necessary, are
15 appropriated from the indicated source for expenditure in
16 fiscal year 2026 for the objects expressed.

17 D. Unexpended balances in agency accounts remaining
18 at the end of fiscal year 2025 shall revert to the general fund
19 by October 1, 2025 unless otherwise indicated in the General
20 Appropriation Act of 2025 or otherwise provided by law.

21 E. The state budget division of the department of
22 finance and administration shall monitor revenue received by
23 agencies from sources other than the general fund and shall
24 reduce the operating budget of any agency whose revenue from
25 such sources is not meeting projections. The state budget

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1 division shall notify the legislative finance committee of any
2 operating budget reduced pursuant to this subsection.

3 F. Except as otherwise specifically stated in the
4 General Appropriation Act of 2025, appropriations are made in
5 that act for the expenditures of agencies and for other
6 purposes as required by existing law for fiscal year 2026. If
7 any other act of the first session of the fifty-seventh
8 legislature changes existing law with regard to the name or
9 responsibilities of an agency or the name or purpose of a fund
10 or distribution, the appropriation made in the General
11 Appropriation Act of 2025 shall be transferred from the agency,
12 fund or distribution to which an appropriation had been made as
13 required by existing law to the appropriate agency, fund or
14 distribution provided by the new law.

15 G. The department of finance and administration
16 shall regularly consult with the legislative finance committee
17 staff to compare fiscal year 2026 revenue collections with the
18 revenue estimate. If the analyses indicate that revenues and
19 transfers to the general fund are not expected to meet
20 appropriations, the department shall present a plan to the
21 legislative finance committee that outlines the methods by
22 which the administration proposes to address the deficit.

23 H. Pursuant to Sections 6-3-23 through 6-3-25 NMSA
24 1978, agencies whose revenue from state board of finance loans,
25 from revenue appropriated by other acts of the legislature or

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1 from gifts, grants, donations, bequests, insurance settlements,
2 refunds or payments into revolving funds exceeds specifically
3 appropriated amounts may request budget increases from the
4 state budget division. If approved by the state budget
5 division, such money is appropriated.

6 I. Except for gasoline credit cards used solely for
7 operation of official vehicles, telephone credit cards used
8 solely for official business and procurement cards used as
9 authorized by Section 6-5-9.1 NMSA 1978, none of the
10 appropriations contained in the General Appropriation Act of
11 2025 may be expended for payment of agency-issued credit card
12 invoices.

13 J. For the purpose of administering the General
14 Appropriation Act of 2025, the state shall follow the modified
15 accrual basis of accounting for governmental funds in
16 accordance with the manual of model accounting practices issued
17 by the department of finance and administration.

18 SECTION 4. FISCAL YEAR 2026 APPROPRIATIONS.--

19 A. LEGISLATIVE.--Forty-six million one hundred
20 fifty-five thousand nine hundred dollars (\$46,155,900) from the
21 general fund is appropriated to the legislative council
22 service for allocation to legislative agencies in fiscal year
23 2026.

24 B. JUDICIAL.--Four hundred sixty-six million nine
25 hundred forty-seven thousand five hundred dollars

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1 (\$466,947,500) from the general fund, twenty-seven million one
2 hundred one thousand six hundred dollars (\$27,101,600) from
3 other state funds, fourteen million eighty-seven thousand three
4 hundred dollars (\$14,087,300) from internal service
5 funds/interagency transfers and five million one hundred eight
6 thousand dollars (\$5,108,000) from federal funds is
7 appropriated to the administrative office of the courts for
8 allocation to judicial agencies in fiscal year 2026.

9 C. GENERAL CONTROL.--Two hundred nineteen million
10 eight hundred fifty-six thousand nine hundred dollars
11 (\$219,856,900) from the general fund, one billion five hundred
12 sixty-three million six hundred twenty-nine thousand six
13 hundred dollars (\$1,563,629,600) from other state funds, one
14 hundred sixty-five million eight hundred fifty-three thousand
15 three hundred dollars (\$165,853,300) from internal services
16 funds/interagency transfers and twenty-nine million nine
17 hundred ninety thousand three hundred dollars (\$29,990,300)
18 from federal funds is appropriated to the department of finance
19 and administration for allocation to general control agencies
20 in fiscal year 2026.

21 D. COMMERCE AND INDUSTRY.--One hundred nine million
22 nine hundred sixty-five thousand eight hundred dollars
23 (\$109,965,800) from the general fund, one hundred twenty-eight
24 million four hundred nine thousand nine hundred dollars
25 (\$128,409,900) from other state funds, thirty-three million

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1 fifty-five thousand seven hundred dollars (\$33,055,700) from
2 internal service funds/interagency transfers and one million
3 nine hundred forty thousand eight hundred dollars (\$1,940,800)
4 from federal funds is appropriated to the department of finance
5 and administration for allocation to commerce and industry
6 agencies in fiscal year 2026.

7 E. AGRICULTURE, ENERGY AND NATURAL RESOURCES.--One
8 hundred forty-one million three hundred forty-eight thousand
9 one hundred dollars (\$141,348,100) from the general fund, one
10 hundred forty-one million two hundred twenty-three thousand
11 four hundred dollars (\$141,223,400) from other state funds,
12 twenty-four million three hundred seventy-six thousand eight
13 hundred dollars (\$24,376,800) from internal service
14 funds/interagency transfers and one hundred forty-six million
15 eight hundred eighty-five thousand two hundred dollars
16 (\$146,885,200) from federal funds is appropriated to the
17 department of finance and administration for allocation to
18 agriculture, energy and natural resources agencies in fiscal
19 year 2026.

20 F. HEALTH, HOSPITALS AND HUMAN SERVICES.--Three
21 billion two hundred forty-four million eight hundred fourteen
22 thousand nine hundred dollars (\$3,244,814,900) from the general
23 fund, one billion one hundred seventy million fifteen thousand
24 dollars (\$1,170,015,000) from other state funds, one billion
25 five hundred twenty-three million two hundred ninety-one

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1 thousand one hundred dollars (\$1,523,291,100) from internal
2 service funds/interagency transfers and twelve billion one
3 hundred four million one hundred eighty-eight thousand one
4 hundred dollars (\$12,104,188,100) from federal funds is
5 appropriated to the department of finance and administration
6 for allocation to health, hospitals and human services agencies
7 in fiscal year 2026.

8 G. PUBLIC SAFETY.--Five hundred eighty million nine
9 hundred forty-seven thousand five hundred dollars
10 (\$580,947,500) from the general fund, one hundred eighty-three
11 million three hundred eighty-eight thousand eight hundred
12 dollars (\$183,388,800) from other state funds, twenty-six
13 million seven hundred ninety thousand two hundred dollars
14 (\$26,790,200) from internal service funds/interagency transfers
15 and three hundred seven million nine hundred ninety-five
16 thousand two hundred dollars (\$307,995,200) from federal funds
17 is appropriated to the department of finance and administration
18 for allocation to public safety agencies in fiscal year 2026.

19 H. TRANSPORTATION.--Six hundred sixty-one million
20 eighty-eight thousand five hundred dollars (\$661,088,500) from
21 other state funds, ten million eight hundred thousand dollars
22 (\$10,800,000) from internal service funds/interagency transfers
23 and five hundred seventy-nine million four hundred seven
24 thousand eight hundred dollars (\$579,407,800) from federal
25 funds is appropriated to the department of finance and

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1 administration for allocation to transportation agencies in
2 fiscal year 2026.

3 I. OTHER EDUCATION.--Sixty-six million eight
4 hundred seventy-one thousand six hundred dollars (\$66,871,600)
5 from the general fund, eight million two hundred forty-five
6 thousand three hundred dollars (\$8,245,300) from other state
7 funds and eight million two hundred sixty-four thousand seven
8 hundred dollars (\$8,264,700) from internal service
9 funds/interagency transfers is appropriated to the department
10 of finance and administration for allocation to other education
11 agencies in fiscal year 2026.

12 J. HIGHER EDUCATION.--One billion four hundred
13 million five hundred fifty thousand four hundred dollars
14 (\$1,400,550,400) from the general fund, two billion one hundred
15 forty-seven million five hundred twenty-six thousand one
16 hundred dollars (\$2,147,526,100) from other state funds,
17 seventy-six million eighty-three thousand three hundred dollars
18 (\$76,083,300) from internal service funds/interagency transfers
19 and nine hundred five million thirty-three thousand two hundred
20 dollars (\$905,033,200) from federal funds is appropriated to
21 the higher education department for expenditure or allocation
22 to higher education agencies in fiscal year 2026.

23 K. PUBLIC SCHOOL SUPPORT.--Four billion four
24 hundred ninety-two million eighty-nine thousand three hundred
25 dollars (\$4,492,089,300) from the general fund, two million

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1 dollars (\$2,000,000) from other state funds and six hundred
2 thirteen million four hundred fifty-four thousand dollars
3 (\$613,454,000) from federal funds is appropriated to the public
4 education department for expenditure or allocation to public
5 school districts and charter schools in fiscal year 2026.

6 SECTION 5. FUND TRANSFERS.--Notwithstanding the
7 provisions of Sections 6-4-9 and 6-4-11 NMSA 1978, the
8 department of finance and administration shall transfer an
9 amount from the tobacco settlement permanent fund to the
10 tobacco settlement program fund equal to the difference between
11 appropriations in Section 4 of the General Appropriation Act of
12 2025 made from the tobacco settlement program fund and the
13 amount transferred to the tobacco settlement program fund
14 pursuant to Subsection B of Section 6-4-9 NMSA 1978 in fiscal
15 year 2026 to fully fund appropriations made from the tobacco
16 settlement program fund contained in Section 4 of the General
17 Appropriation Act of 2025.

18 SECTION 6. SEVERABILITY.--If any part or application of
19 this act is held invalid, the remainder or its application to
20 other situations or persons shall not be affected.