



RE: Opposition to SB 18 – Clear Horizons and Emissions Codification

Madame Chair and Committee Members:

On behalf of the New Mexico Business Coalition (NMBC), representing employers across a wide range of industries and thousands of New Mexicans statewide, **I am writing to express our opposition to SB 18, Clear Horizons and Emissions Codification.**

NMBC supports practical environmental policies that protect natural resources while also preserving economic stability, affordability, and job growth. As drafted, SB 18 takes an overly punitive approach that will increase costs and regulatory risk not only for the oil and gas industry, but for **businesses across New Mexico's economy**.

The bill disproportionately targets the oil and gas sector, which supports **more than 70,000 high-paying jobs** and makes New Mexico the **second-largest oil-producing state in the nation**. When all severance taxes, royalties, and related revenues are included, this industry provides **nearly 40 percent of total state tax revenue**, funding education, healthcare, infrastructure, and public safety. Policies that threaten production or investment in this sector place the state's fiscal stability at risk.

At the same time, SB 18's expanded regulatory framework and enforcement provisions will have ripple effects well beyond oil and gas. Increased energy costs, higher compliance expenses, and greater legal uncertainty ultimately impact **manufacturers, small businesses, service providers, and consumers** throughout the state. These added costs reduce competitiveness, discourage investment, and place additional pressure on employers already navigating workforce shortages and rising operating expenses.

New Mexico should pursue emissions policies that recognize existing regulatory compliance, encourage innovation, and balance environmental goals with economic reality. SB 18, as written, risks undermining job creation, affordability, and the revenues that support essential public services.

New Mexico Business Coalition urges you to oppose SB 18.

Thank you for your time and consideration.

Sincerely,

Carla J. Sonntag
President & CEO