

**FIFTY-SEVENTH LEGISLATURE
FIRST REGULAR SESSION, 2025**

March 21, 2025

Mr. Speaker:

Your **APPROPRIATIONS & FINANCE COMMITTEE**, to whom
has been referred

**SENATE FINANCE COMMITTEE SUBSTITUTE FOR SENATE BILL
535**

has had it under consideration and reports same with
recommendation that it **DO PASS**, amended as follows:

1. On page 1, line 13, after the semicolon, insert
"INCREASING CERTAIN FEES; PROVIDING FOR THE ENFORCEMENT OF FEES BY
THE PUBLIC REGULATION COMMISSION; INCREASING THE 911 EMERGENCY
SURCHARGE;".

2. On page 4, between lines 4 and 5, insert:

"SECTION 2. Section 62-8-8 NMSA 1978 (being Laws 1967,
Chapter 96, Section 6, as amended) is amended to read:

"62-8-8. INSPECTION AND SUPERVISION FEE.--

A. Each utility doing business in this state and subject
to the control and jurisdiction of the commission with respect to
its rates or service regulations shall pay annually to the state a
fee for the inspection and supervision of such business in an amount
equal to five hundred [~~six~~] ninety thousandths percent of its gross
receipts from business transacted in New Mexico for the preceding
calendar year. That sum shall be payable on [~~or before~~] the [~~first~~]
last day of [~~April~~] July in each year. An inspection and
supervision fee shall be paid by utilities in addition to all
property, franchise, license, intangible and other taxes, fees and
charges provided by law. No similar inspection and supervision fee
shall be measured by the amount of the gross receipts of such
utility for the calendar year next preceding the date fixed in this
section for the payment of the fee. In the case of utilities
engaged in interstate business, the inspection and supervision fee
shall be measured by the gross receipts of those utilities from
intrastate business only for that preceding calendar year and not in
any respect upon receipts derived wholly or in part from interstate
business. No inspection and supervision fee shall be charged on the
gross receipts from the sale of gas, water or electricity to a
utility regulated by the commission for resale to the public.

**FIFTY-SEVENTH LEGISLATURE
FIRST REGULAR SESSION, 2025**

HAFC/SB 535

Page 2

B. Prior to July 1, 2031, the fees established pursuant to this section may be adjusted annually by the commission; provided that any increase shall not be greater than the prior year's increase in the employment cost index for state and local government as published by the federal bureau of labor statistics."

SECTION 3. Section 62-13-2 NMSA 1978 (being Laws 1957, Chapter 25, Section 2, as amended) is amended to read:

"62-13-2. FEES.--The commission shall collect fees for the following [fees], which shall be remitted to the state treasurer not later than the day following receipt; provided that the commission may increase by administrative rule the fees set forth in this section in amounts that do not exceed the cost of administrative proceedings before the commission:

A. for filing any rate schedule, service rule or regulation or sample form, or amendment thereto, one dollar (\$1.00);

B. for filing each application, petition or complaint, twenty-five dollars (\$25.00);

C. for copies of papers, testimony and records, the reasonable cost of such copies as the commission may provide from time to time by rule; and

D. for certifying any copy of any paper, testimony or record, two dollars (\$2.00)."

SECTION 4. Section 63-7-20 NMSA 1978 (being Laws 1951, Chapter 194, Section 1, as amended) is amended to read:

"63-7-20. UTILITY INSPECTION--FEE.--

A. Each utility doing business in this state that is subject to the control and jurisdiction of the commission by virtue of the provisions of Article 11 of the constitution of New Mexico with respect to its rates and service shall pay annually to the commission a fee in performance of its duties as now provided by law. The fee for utilities shall not exceed five hundred [~~eleven~~ ninety] thousandths percent of its gross receipts from business transacted in New Mexico for the preceding calendar year. This sum

**FIFTY-SEVENTH LEGISLATURE
FIRST REGULAR SESSION, 2025**

HAFC/SB 535

Page 3

shall be payable annually on [~~or before April 1~~] July 31 in each year. No similar fee shall be imposed upon the utility. In the case of utilities engaged in interstate business, the fees shall be measured by the gross receipts of the utilities from intrastate business only for the preceding calendar year and not in any respect upon receipts derived wholly or in part from interstate business. Prior to July 1, 2031, the fees established pursuant to this section may be adjusted annually by the commission; provided that any increase shall not be greater than the prior year's increase in the employment cost index for state and local government, as published by the federal bureau of labor statistics. As used in this section, "utility" includes telephone companies and transmission companies but does not include public utilities subject to the Public Utility Act.

B. When a fee is not paid on the date it is due, interest shall be paid to the state on the amount due. The interest on the amount due shall start to accrue on the day following the due date and shall continue to accrue until the total amount due is paid. The rate of interest on a late fee payment shall be fifteen percent per year, computed at the rate of one and one-fourth percent per month.

C. In addition to any interest due on a late fee payment, a penalty shall be paid to the state for failure to pay the fee when it is due. The penalty imposed shall be two percent of the amount of the fee due.

D. The [~~attorney general, in the name of the state~~] commission shall bring suit to collect fees, interest and penalties that remain unpaid."

SECTION 5. Section 63-9D-5 NMSA 1978 (being Laws 1989, Chapter 25, Section 5, as amended) is amended to read:

"63-9D-5. IMPOSITION OF SURCHARGE.--

A. [~~There is imposed~~] A 911 emergency surcharge is imposed in the amount of [~~fifty-one cents (\$.51)~~] one dollar (\$1.00) to be billed to each subscriber access line by a communications service provider, on each active number for a commercial mobile

**FIFTY-SEVENTH LEGISLATURE
FIRST REGULAR SESSION, 2025**

HAFC/SB 535

Page 4

radio service subscriber and on the number of VoIP lines for which the VoIP service provider enables the capacity for simultaneous calls, regardless of actual usage, to be connected to the public switched telephone network during the period for which the fixed charge is imposed. The surcharge is imposed on all subscribers whose place of primary use, as defined in the federal Mobile Telecommunications Sourcing Act, is in New Mexico; provided, however, that the surcharge shall not be imposed upon subscribers receiving reduced rates pursuant to the Low Income Telephone Service Assistance Act; and provided further that the surcharge shall not apply to prepaid wireless communication service; and provided further that a 911 emergency surcharge shall not be assessed on the provision of broadband internet access service.

B. ~~[All]~~ A communications service ~~[providers]~~ provider shall ~~[be required to]~~ bill and collect the surcharge from ~~[their]~~ subscribers whose places of primary use, as defined in the federal Mobile Telecommunications Sourcing Act, are in New Mexico. The surcharge required to be collected by the communications service provider shall be added to and stated clearly and separately in the billings to the subscriber. The surcharge collected by the communications service provider shall not be considered revenue of the communications service provider.

C. A billed subscriber is liable for payment of the 911 emergency surcharge until it has been paid to the communications service provider.

D. A communications service provider has no obligation to take legal action to enforce the collection of the surcharge; an action may be brought by or on behalf of the department. A communications service provider, upon request and not more than once a year, shall provide to the department a list of the surcharge amounts uncollected, along with the names and addresses of subscribers who carry a balance that can be determined by the communications service provider to be nonpayment of the surcharge. The communications service provider shall not be held liable for uncollected surcharge amounts."".

3. Renumber the succeeding sections accordingly.

FIFTY-SEVENTH LEGISLATURE
FIRST REGULAR SESSION, 2025

HAFC/SB 535

Page 5

Respectfully submitted,

Nathan Small, Chair

Adopted _____
(Chief Clerk)

Not Adopted _____
(Chief Clerk)

Date _____

The roll call vote was 10 For 4 Against
Yes: 10
No: Baca, Brown, Chatfield, Duncan
Excused: Dow, Pettigrew, Sanchez, Sariñana
Absent: None

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