A MEMORIAL

REQUESTING THE NEW MEXICO LEGISLATIVE COUNCIL TO TASK AN INTERIM COMMITTEE TO ASSESS THE BEST METHODS TO IMPLEMENT THE EXCEPTION THE VOTERS APPROVED TO ARTICLE 9, SECTION 14 OF THE CONSTITUTION OF NEW MEXICO, COMMONLY KNOWN AS THE ANTI-DONATION CLAUSE, FOR THE PROVISION OF STATE ASSISTANCE FOR ESSENTIAL SERVICES AND TO DEVELOP LEGISLATIVE PROPOSALS BASED ON THE COMMITTEE'S FINDINGS FOR THE 2026 LEGISLATIVE SESSION.

WHEREAS, many New Mexico communities have struggled to acquire essential utility services for their residents, including internet, electricity, natural gas, water and wastewater services; and

WHEREAS, utility providers in New Mexico sometimes find the capital costs of installing utility cables, lines, pipes and other utility infrastructure to be prohibitive for some communities due to their geography, geology, per capita disposable income, population density or other factors; and

WHEREAS, building up the funding to install the final leg, commonly referred to as the "last mile", of an electrical network, a telecommunications network chain or a pipeline system for gas, water or wastewater that physically reaches residential homes has quite often proved to be an insurmountable obstacle for communities to have access to these essential services;

WHEREAS, in 2022, the voters of New Mexico approved an exception to Article 9, Section 14 of the constitution of New Mexico, commonly known as the "anti-donation clause", to allow the state to expend funds or resources for the purpose of providing essential services primarily for residential purposes and defined "essential services" as "infrastructure that allows internet, energy, water, wastewater or other similar services as provided by law"; and

WHEREAS, the exception the voters approved included a requirement for state expenditures to provide essential services pursuant to implementing legislation that includes "safeguards to protect public money and other public resources"; and

WHEREAS, electricity, internet, natural gas, water and wastewater services meet very different human and community needs, operate under very different regulatory structures and have very different types of supporting infrastructure; and

WHEREAS, developing legislation to implement the exception and safeguard public money raises several issues that need to be examined with input from varying perspectives across the state;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF NEW MEXICO that the New Mexico legislative council be requested to task an interim committee to:

essential services should be conditioned on some level of

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- (1) whether a bureau, a department, an instrumentality or other type of entity would be most efficient and accountable to provide assistance to build infrastructure for internet, energy, water, wastewater or other similar services;
- (2) whether a single entity to assist all essential services or several separate public entities, each specifically dedicated to a particular type of essential service, would be more efficient and provide greater accountability to safeguard public money and other public resources;
- assistance program for essential services is to establish a program to provide assistance for one type of essential service to act as a prototype to develop best practices for providing assistance for other essential services or to implement a broad spectrum assistance program for all essential services;
- (4) whether the criteria for essential services should be based on the poverty levels in a community, the percentage of households without a particular utility service or some other condition within a community;

whether the provision of assistance for

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matching funding from local governments;

- (6) what would be the most effective method to ensure accountability for a state assistance program for essential services, including whether legislative oversight would be best accomplished by tasking oversight to an existing interim committee or establishing a new interim committee; and
- (7) what would be a reasonable annual budget for an assistance program for essential services; and
- B. develop legislative proposals for the 2026 legislative session to implement an assistance program for essential services based on the committee's findings; and

BE IT FURTHER RESOLVED that copies of this memorial be transmitted to the members of the New Mexico legislative council and the director of the legislative council service. = HM 27 Page 4