

LFC Requester:

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AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

[AgencyAnalysis.nmlegis.gov](https://www.legis.nm.gov/AgencyAnalysis) and email to billanalysis@dfa.nm.gov*(Analysis must be uploaded as a PDF)***SECTION I: GENERAL INFORMATION***{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

Date Prepared:	1/22/2026	<i>Check all that apply:</i>			
Bill Number:	HM 106	Original	<input checked="" type="checkbox"/>	Correction	<input type="checkbox"/>
		Amendment	<input type="checkbox"/>	Substitute	<input type="checkbox"/>

Sponsor:	Representative Patricia Roybal Caballero	Agency Name and Code Number:	New Mexico Finance Authority 385
Short Title:		Person Writing	Fernando Martinez
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SECTION II: FISCAL IMPACT**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
		N/A	N/A

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
0	0	0	0	0

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	Unknown	Unknown				

(Parenthesis () indicate expenditure decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

- HM 106 is a formal request to conduct a comprehensive study on private equity ownership and control of essential New Mexico gas and electric utilities and other critical infrastructure.
- The study will be conducted by the Legislative Finance Committee, involving multiple state agencies, and the findings and recommendations must be delivered and presented to the LFC and state agencies involved in the study by December 1, 2026. A copy will be provided to the Governor as well.
- The Purpose of the request is to collect information on the impact and implications of private equity ownership or control of critical infrastructure sectors that are essential to New Mexico's energy and utility needs.
- HM 106 lists twelve specific areas for examination, such as maintenance spending, ratepayer impacts, and workforce effects.

FISCAL IMPLICATIONS

The resources necessary to support the effort outlined in HM 106 are unknown.

SIGNIFICANT ISSUES

The New Mexico Public Regulation Commission has existing statutory and regulatory authority to ensure safe operations and reliable utility services at reasonable rates and to protect the public interests in utility matters. The PRC regulates electric, natural gas, renewable energy resources, telecommunications, and water and wastewater systems. The PRC also reviews and approves or denies ownership changes of the entities that they regulate. The PRC is the best agency to assume a leadership role in conducting a comprehensive study as requested in HM 106 because of their statutory and regulatory authority and subject matter expertise in these areas.

In New Mexico there are currently three Investor-owned utilities that are regulated entities by the PRC that have guaranteed returns. Thus, one of the main priorities of the study should focus on regulations, specifically quality, quantity and reliability. Investor-owned utilities likely have the same motivations as "Private Equity" of profit maximization within the regulatory framework that exists in New Mexico.

PERFORMANCE IMPLICATIONS

As a non-regulatory agency, it is not clear what expertise NMFA can contribute to the proposed study.

ALTERNATIVES

Provide a direct appropriation to the PRC to conduct the type of comprehensive study requested in HM 106.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The New Mexico Public Regulation Commission will continue to have primary responsibility to ensure safe operations and reliable utility services at reasonable rates and to protect the public interests in utility matters.