

LFC Requester: _____

AGENCY BILL ANALYSIS

SECTION I: GENERAL INFORMATION

Check all that apply:

Original Amendment _____
Correction Substitute

Date 1/29/2026
Bill No: SM 9

Sponsor: Sen. Harold Pope
Short Title: Study State Purchase of Utilities

Agency Name and Code: EMNRD 521
Number: _____
Person Writing: Ben Bajema
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

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

(Parenthesis () Indicate Expenditure Decreases)

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

SECTION III: NARRATIVE

Synopsis: SM9 directs the Legislative Finance Committee (LFC) to study the potential benefits of the investment of state funds to obtain an equity interest in public utilities, specifically PNM and New Mexico Gas Company. LFC is directed to conduct a comprehensive study, in consultation with experts from state agencies, on the costs, benefits, and procedures for state investment in the utilities. Final recommendations will be submitted by December 1, 2026. Finally, SM9 requests that the PRC delay approval of any private equity acquisition until the study is completed and no earlier than the end of the 2027 legislative session.

FISCAL IMPLICATIONS

None for EMNRD.

SIGNIFICANT ISSUES

SM9 directs the LFC to consult with experts from state agencies including the PRC, NMFA, Attorney General, State Investment Council and the Economic Development Department. EMNRD believes that the study committee and resulting study would benefit from EMNRD's participation and ask to be included in any committee or working group created as a result of this memorial.

PERFORMANCE IMPLICATIONS

None for EMNRD.

ADMINISTRATIVE IMPLICATIONS

None for EMNRD.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Both HM6 and SM9 seek to address the same issue of increased interest in New Mexico by large private equity firms and the impacts that will have on the state. The reports called for by both memorials could be combined into a single, comprehensive report to avoid duplicate efforts and use of resources.

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If SM9 is not passed the Legislative Finance Committee will not study the costs and benefits of state investment and equity interest in public utilities.

AMENDMENTS