

HOUSE COMMERCE AND ECONOMIC DEVELOPMENT
COMMITTEE SUBSTITUTE FOR
HOUSE MEMORIAL 6

57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

A MEMORIAL

REQUESTING THE LEGISLATIVE FINANCE COMMITTEE TO STUDY THE
PUBLIC BENEFIT OF ONE OR MORE STATE INVESTMENT FUNDS PURCHASING
EQUITY INTEREST IN CERTAIN PUBLIC UTILITIES AND TO REPORT ITS
FINDINGS PRIOR TO THE FIRST SESSION OF THE FIFTY-EIGHTH
LEGISLATURE.

WHEREAS, gas and electric utilities and other essential
infrastructure in New Mexico provide services that are
foundational to public health, economic stability, emergency
response and community well-being; and

WHEREAS, private equity firms are currently seeking
approval from the public regulation commission to acquire the
New Mexico gas company and TXNM energy, incorporated, the
parent company of the public service company of New Mexico; and

WHEREAS, the public regulation commission is currently

.233701.1

underscored material = new
~~[bracketed material]~~ = delete

1 evaluating those approval requests, but there is no statutory
2 deadline by which a decision must be made; and

3 WHEREAS, the utilities sought to be acquired by the
4 private equity firms provide essential services to New Mexico
5 residents, collect billions of dollars of revenues from New
6 Mexico residents and have a significant impact on New Mexico's
7 economy, as well as the health and well-being of its residents;
8 and

9 WHEREAS, New Mexico currently has a number of state funds
10 that invest money for the purpose of benefiting New Mexico and
11 its residents; and

12 WHEREAS, if a state investment fund purchased an equity
13 interest in the utility companies, the state could be provided
14 with the same low-risk, high returns on investment in the form
15 of dividends, profits and growth that the utilities' current
16 shareholders have received; and

17 WHEREAS, New Mexico is currently over-reliant on uncertain
18 and volatile oil and gas royalties and revenues to pay the
19 expenses of government and benefit New Mexicans; and

20 WHEREAS, New Mexico could benefit from a more diverse and
21 reliable source of revenues than it currently has; and

22 WHEREAS, New Mexico and its residents could benefit
23 financially from the state purchasing a substantial share of
24 the equity of the utilities that private equity firms are
25 currently seeking to acquire; and

.233701.1

1 WHEREAS, an additional benefit to the state from
 2 purchasing a substantial share of the equity of the utilities
 3 would be an increased opportunity to promote and influence
 4 business policies and practices that better serve and protect
 5 the interest of New Mexico residents; and

6 WHEREAS, allowing private equity firms to acquire the
 7 utilities may preclude New Mexico's ability to acquire a
 8 potentially beneficial ownership interest in the utilities;

9 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
 10 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the staff of
 11 the legislative finance committee be requested to conduct a
 12 study, in consultation with experts from state agencies,
 13 including the public regulation commission, New Mexico finance
 14 authority, attorney general, state investment council and
 15 economic development department, to determine the public,
 16 ratepayer, environmental and economic costs and benefits to New
 17 Mexico of one or more state investment funds purchasing equity
 18 interests of various amounts in the New Mexico gas company and
 19 TXNM energy, incorporated, the parent company of the public
 20 service company of New Mexico, and the specific procedures,
 21 disclosures and actions needed for a state investment fund to
 22 accomplish such a purchase; and

23 BE IT FURTHER RESOLVED that the staff of the legislative
 24 finance committee be requested to periodically report to the
 25 committee on the progress of the study and to present a final

.233701.1

underscored material = new
 [bracketed material] = delete

1 report with recommendations to the committee by December 1,
2 2026; and

3 BE IT FURTHER RESOLVED that the public regulation
4 commission be requested to refrain from approving any private
5 equity acquisition of the New Mexico gas company and TXNM
6 energy, incorporated, the parent company of the public service
7 company of New Mexico, until the studies requested in this
8 memorial have been completed and submitted to the legislative
9 finance committee, but in no event prior to the conclusion of
10 the first session of the fifty-eighth legislature; and

11 BE IT FURTHER RESOLVED that copies of this memorial be
12 transmitted to the governor, the legislative finance committee,
13 the public regulation commission, the New Mexico finance
14 authority, the attorney general, the state investment council
15 and the economic development department.