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AN ACT

RELATING TO PUBLIC UTILITIES; DISTINGUISHING BETWEEN THE PUBLIC REGULATION COMMISSION AND THE AGENCY THAT SUPPORTS THE COMMISSION; CLARIFYING AGENCY STATUTORY DUTIES; REQUIRING COMPLIANCE WITH THE GIFT ACT; MAKING OTHER CLARIFYING AND CLEANUP CHANGES TO THE PUBLIC REGULATION COMMISSION ACT; CREATING THE UTILITY OVERSIGHT FUND; CHANGING DISTRIBUTION OF COLLECTED FEES AND PENALTIES; PROVIDING FOR THE ENFORCEMENT OF FEES BY THE PUBLIC REGULATION COMMISSION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 62-8-9 NMSA 1978 (being Laws 1957, Chapter 25, Section 1, as amended) is amended to read:

"62-8-9. DISPOSITION OF FUNDS--INTEREST AND PENALTY ON LATE PAYMENTS.--

A. All fees and money collected under the provisions of the Public Utility Act, including fees provided for in Section 62-13-2 NMSA 1978 and including fees and charges for inspection and supervision, for stenographic services and for transcripts of evidence, shall be remitted by the commission to the state treasurer and credited to the utility oversight fund not later than the day following receipt. Payments provided for in the Public Utility Act shall be obligatory upon all utilities subject to the Public Utility Act.

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

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

12 D. The commission shall bring suit to collect
13 fees, interest and penalties that remain unpaid."

14 **SECTION 2.** Section 62-12-1 NMSA 1978 (being Laws 1941,
15 Chapter 84, Section 73) is amended to read:

16 "62-12-1. MANDAMUS--INJUNCTION--UTILITIES.--Whenever
17 the commission is of the opinion that any person or public
18 utility is failing or omitting or about to fail or omit to do
19 anything required of it by the Public Utility Act or by any
20 order of the commission or is doing or about to do anything
21 or permitting or about to permit anything to be done contrary
22 to or in violation of that act or of any order of the
23 commission, it may commence an action or proceeding in the
24 district court for the county of Santa Fe, or in the district
25 court of the county in which the complaint or controversy

1 arose, in the name of the state of New Mexico for the purpose
2 of having the violations or threatened violations stopped and
3 prevented either by mandamus or injunction. The commission
4 shall begin an action or proceeding by petition to the court
5 alleging the violation or threatened violation complained of
6 and praying for appropriate relief by way of mandamus or
7 injunction. It is the duty of the court to specify a time,
8 not exceeding thirty days after the service of the copy of
9 the petition, within which the public utility or person
10 complained of must plead, and in the meantime the public
11 utility or person may for good cause shown be restrained. In
12 case of default, the court shall immediately inquire into the
13 facts and circumstances of the case. Such persons as the
14 court deems necessary or proper to be joined as parties, in
15 order to make its judgment, order or writ effective, may be
16 joined as parties. The final judgment in any such action or
17 proceeding shall either dismiss the action or proceeding or
18 direct that the writ of mandamus or injunction issue or be
19 made permanent as prayed for in the petition or in such
20 modified or other form as will afford appropriate relief. An
21 appeal may be taken as in other civil actions."

22 **SECTION 3.** A new section of the Public Utility Act is
23 enacted to read:

24 "UTILITY OVERSIGHT FUND.--The "utility oversight fund" is
25 created as a nonreverting fund in the state treasury. The

1 fund consists of fees collected pursuant to Sections 62-8-8,
2 62-8-9 and 63-7-20 NMSA 1978, as well as appropriations,
3 gifts, grants and donations and earnings on investment of the
4 fund. The fund shall be administered by the commission.
5 Money in the fund is subject to appropriation by the
6 legislature to the commission to carry out the commission's
7 duties pursuant to the Public Utility Act. Disbursements
8 from the fund shall be made by warrant of the secretary of
9 finance and administration pursuant to vouchers issued and
10 signed by the chief financial officer of the commission or
11 the chief financial officer's authorized representative."

12 SECTION 4. Section 62-19-2 NMSA 1978 (being Laws 1998,
13 Chapter 108, Section 2, as amended) is amended to read:

14 "62-19-2. DEFINITIONS.--As used in the Public Regulation
15 Commission Act:

16 A. "agency" means the organization supporting the
17 commission, including all employees;

18 B. "commission" means the public regulation
19 commission created by Article 11, Section 1 of the
20 constitution of New Mexico;

21 C. "commissioner" means a person appointed to the
22 commission; and

23 D. "person" means an individual, corporation, firm,
24 partnership, association, joint venture or similar legal
25 entity."

1 SECTION 5. Section 62-19-4 NMSA 1978 (being Laws 2020,
2 Chapter 9, Section 18) is amended to read:

3 "62-19-4. PUBLIC REGULATION COMMISSION NOMINATING
4 COMMITTEE.--

5 A. The "public regulation commission nominating
6 committee" is created and consists of seven members who are:

7 (1) knowledgeable about public utility
8 regulation;

9 (2) not employed by or on behalf of or have a
10 contract with a public utility that is regulated by the
11 commission;

12 (3) not applicants or nominees for a position
13 on the commission; and

14 (4) appointed as follows:

15 (a) four members appointed one each by the
16 speaker of the house of representatives, the minority floor
17 leader of the house of representatives, the president pro
18 tempore of the senate and the minority floor leader of the
19 senate, with no more than two members being from the same
20 political party;

21 (b) two members appointed one each by the
22 secretary of energy, minerals and natural resources and the
23 secretary of economic development; and

24 (c) one member who is a member of an
25 Indian nation, tribe or pueblo appointed by the governor.

1 B. A committee member shall:

2 (1) be a resident of New Mexico;

3 (2) serve a four-year term; and

4 (3) serve without compensation, but shall be
5 reimbursed for expenses incurred in pursuit of the member's
6 duties on the committee pursuant to the Per Diem and Mileage
7 Act.

8 C. The committee and individual members shall be
9 subject to the Governmental Conduct Act, the Inspection of
10 Public Records Act, the Financial Disclosure Act and the Open
11 Meetings Act.

12 D. Administrative support shall be provided to the
13 committee by the agency.

14 E. Initial appointments to the committee shall be
15 made by the appointing authorities prior to July 1, 2022.
16 Subsequent appointments shall be made no later than thirty
17 days before the end of a term.

18 F. The first meeting of the appointed members of
19 the committee shall be held prior to September 1, 2022. The
20 committee shall select one member to be chair and one member
21 to be secretary. Following the first meeting, the committee
22 shall meet as often as necessary in order to submit a list to
23 the governor of no fewer than five qualified nominees for
24 appointment to the commission for the terms beginning January
25 1, 2023. The list shall be developed to provide geographical

1 diversity, and nominees on the list shall be from at least
2 three different counties of the state.

3 G. Subsequent to January 1, 2023, the committee
4 shall meet at least ninety days prior to the date on which
5 the term of a commissioner ends and as often as necessary
6 thereafter in order to submit a list to the governor, at
7 least thirty days prior to the beginning of the new term, of
8 no fewer than two qualified nominees from diverse
9 geographical areas of the state for appointment to the
10 commission for each commissioner position term that is
11 ending.

12 H. Upon the occurrence of a vacancy in a
13 commissioner position, the committee shall meet within thirty
14 days of the date of the beginning of the vacancy and as often
15 as necessary thereafter in order to submit a list to the
16 governor, within sixty days of the first meeting after the
17 vacancy occurs, of no fewer than two qualified nominees from
18 diverse geographical areas of the state for appointment to
19 the commission to fill the remainder of the term of each
20 commissioner position that is vacant.

21 I. If a position on the committee becomes vacant
22 during a term, a successor shall be selected in the same
23 manner as the original appointment for that position and
24 shall serve for the remainder of the term of the position
25 vacated.

1 J. The committee shall actively solicit, accept and
2 evaluate applications from qualified individuals for a
3 position on the commission and may require an applicant to
4 submit any information it deems relevant to the consideration
5 of the individual's application.

6 K. The committee shall select nominees for
7 submission to the governor who, in the committee's judgment,
8 are best qualified to serve as a member of the commission.

9 L. A majority vote of all members of the committee
10 in favor of a person is required for that person to be
11 included on the list of qualified nominees submitted to the
12 governor."

13 **SECTION 6.** Section 62-19-6 NMSA 1978 (being Laws 2013,
14 Chapter 64, Section 2, as amended) is amended to read:

15 "62-19-6. CONTINUING EDUCATION REQUIREMENTS FOR
16 COMMISSIONERS.--

17 A. A commissioner shall complete:

18 (1) at least six hours of ethics training at a
19 course provided in person or online by a post-secondary
20 educational institution in the first twelve-month period
21 after taking office and at least two hours of ethics training
22 conducted by a post-secondary educational institution or by a
23 provider of ethics training that is approved by the
24 professional licensing board by which a commissioner is
25 licensed in each subsequent twelve-month period that the

1 commissioner serves in office; and

2 (2) at least thirty-two hours of continuing
3 education relevant to the work of the commission in each
4 twelve-month period that the commissioner serves in office.

5 B. Continuing education courses shall be endorsed
6 by the national association of regulatory utility
7 commissioners, by a post-secondary educational institution or
8 by a licensing or professional association for a qualifying
9 area of study.

10 C. A commissioner shall be responsible for having
11 the endorsing organization submit certification of completion
12 of the hours of education required pursuant to Subsection A
13 of this section to the chief of staff.

14 D. If a commissioner fails to comply with the
15 education requirements in Subsection A of this section by the
16 last day of a twelve-month period, the commissioner's
17 compensation for performing the duties of the office shall be
18 withheld by the agency until the requirements for the
19 preceding twelve-month period or periods have been met."

20 SECTION 7. Section 62-19-8 NMSA 1978 (being Laws 1998,
21 Chapter 108, Section 19, as amended) is amended to read:

22 "62-19-8. PROHIBITED ACTS--NOMINEES--COMMISSIONERS AND
23 EMPLOYEES.--

24 A. As used in this section, in addition to the
25 definitions provided in Section 62-19-2 NMSA 1978:

1 (1) "affiliated interest" means a person who
2 directly controls or is controlled by or is under common
3 control with a regulated entity, including an agent,
4 representative, attorney, employee, officer, owner, director
5 or partner of an affiliated interest. For the purposes of
6 this definition, "control" includes the possession of the
7 power to direct or cause the direction of the management and
8 policies of a person, whether directly or indirectly, through
9 the ownership, control or holding with the power to vote of
10 ten percent or more of the person's voting securities;

11 (2) "intervenor" means a person who is
12 intervening as a party in an adjudicatory matter before the
13 commission or has intervened in an adjudicatory matter before
14 the commission within the preceding twenty-four months,
15 including an agent, representative, attorney, employee,
16 officer, owner, director, partner or member of an intervenor;

17 (3) "pecuniary interest" includes owning or
18 controlling securities; serving as an officer, director,
19 partner, owner, employee, attorney or consultant; or
20 otherwise benefiting from a business relationship.

21 "Pecuniary interest" does not include an investment in a
22 mutual fund or similar third-party-controlled investment,
23 pension or disability benefits or an interest in capital
24 credits of a rural electric cooperative or telephone
25 cooperative because of current or past patronage; and

1 (4) "regulated entity" means a person whose
2 charges for services to the public are regulated by the
3 commission and includes any direct or emerging competitors of
4 a regulated entity and includes an agent, representative,
5 attorney, employee, officer, owner, director or partner of
6 the regulated entity.

7 B. In addition to the requirements of the Financial
8 Disclosure Act and the Governmental Conduct Act, nominees for
9 appointment to the commission, commissioners and employees of
10 the agency shall comply with the requirements of the Public
11 Regulation Commission Act, as applicable.

12 C. A nominee for appointment to the commission
13 shall not solicit or accept anything of value, either
14 directly or indirectly, from a person whose charges for
15 services to the public are regulated by the commission. For
16 the purposes of this subsection, "anything of value" includes
17 money, in-kind contributions and volunteer services to the
18 nominee or the nominee's organization, but does not include
19 pension or disability benefits.

20 D. Commissioners and employees of the agency shall
21 comply with the provisions of the Gift Act.

22 E. After leaving the commission:

23 (1) a former commissioner shall not be employed
24 or retained in a position that requires appearances before
25 the commission by a regulated entity, affiliated interest or

1 intervenor within two years of the former commissioner's
2 separation from the commission;

3 (2) a former employee shall not appear before
4 the commission representing a party to an adjudication or a
5 participant in a rulemaking within one year of ceasing to be
6 an employee; and

7 (3) a former commissioner or employee shall not
8 represent a party before the commission or a court in a
9 matter that was pending before the commission while the
10 commissioner or employee was associated with the commission
11 and in which the former commissioner or employee was
12 personally and substantially involved in the matter.

13 F. The attorney general or a district attorney may
14 institute a civil action in the district court for Santa Fe
15 county or, in the attorney general's or a district attorney's
16 discretion, the district court for the county in which a
17 defendant resides if a violation of this section has occurred
18 or to prevent a violation of this section. A civil penalty
19 may be assessed in the amount of two hundred fifty dollars
20 (\$250) for each violation, not to exceed five thousand
21 dollars (\$5,000)."

22 **SECTION 8.** Section 62-19-9 NMSA 1978 (being Laws 1998,
23 Chapter 108, Section 4) is amended to read:

24 "62-19-9. COMMISSION--GENERAL POWERS AND DUTIES.--

25 A. The commission shall:

1 (1) administer and enforce the laws with which
2 it is charged and has every power conferred by law;

3 (2) appoint a chief of staff;

4 (3) prepare an annual budget for submission to
5 the legislature;

6 (4) adopt rules to streamline the resolution of
7 cases before it when appropriate by:

8 (a) the use of hearing examiners;

9 (b) the taking of evidence with the least
10 delay practicable;

11 (c) limiting repetitious testimony; and

12 (d) adopting procedures for resolving
13 cases in ways other than by trial-type hearings when
14 appropriate, including consent calendars, paper hearings,
15 conferences, settlements, mediation, arbitration and other
16 alternative dispute resolution methods and the use of agency
17 staff decisions;

18 (5) provide a toll-free telephone number and
19 publish it on the agency website; and

20 (6) resolve all complaints regarding
21 telecommunications providers within sixty days unless
22 extended for good cause by an order of the commission or
23 hearing examiner that states with specificity the reason for
24 and length of the extension.

25 B. The commission may:

1 (1) delegate authority as it deems necessary
2 and appropriate, clearly delineating such delegated authority
3 and any limitations;

4 (2) take administrative action by issuing
5 orders not inconsistent with law to assure implementation of
6 and compliance with the provisions of law for which the
7 commission is responsible and to enforce those orders by
8 appropriate administrative action and court proceedings;

9 (3) conduct investigations as necessary to
10 carry out the commission's responsibilities;

11 (4) adopt such reasonable administrative,
12 regulatory and procedural rules as may be necessary or
13 appropriate to carry out its powers and duties;

14 (5) cooperate with tribal and pueblo
15 governments on topics over which the commission and the other
16 governments have jurisdiction and conduct joint
17 investigations, hold joint hearings and issue joint or
18 concurrent orders as appropriate; and

19 (6) apply to the district court for injunctions
20 to prevent violations of any laws that it administers or
21 rules or orders adopted pursuant to those laws.

22 C. A majority of the commission constitutes a
23 quorum for the transaction of business; provided, however,
24 that a majority vote of the commission is needed for a final
25 decision of the commission."

1 **SECTION 9.** Section 62-19-20 NMSA 1978 (being Laws 1998,
2 Chapter 108, Section 14, as amended) is amended to read:

3 "62-19-20. HEARING EXAMINERS.--

4 A. The commission may appoint a commissioner or a
5 hearing examiner to preside over any matter before the
6 commission, including rulemakings, adjudicatory hearings and
7 administrative matters. Hearing examiners shall conduct
8 proceedings and issue findings and recommendations based
9 solely on the record and applicable law, free from improper
10 influence, interference or pressure from any source within or
11 outside the commission.

12 B. A hearing examiner shall provide the commission
13 with a written recommendation on the matter assigned to the
14 hearing examiner, including findings of fact and conclusions
15 of law. A written recommendation shall be provided to the
16 parties, and they may file exceptions to the written
17 recommendation prior to the final decision of the commission.

18 C. When the commission has appointed a hearing
19 examiner to preside over a matter, at least one member of the
20 commission shall, at the request of a party to the
21 proceedings, attend oral argument."

22 **SECTION 10.** Section 62-19-21 NMSA 1978 (being Laws 1998,
23 Chapter 108, Section 15, as amended) is amended to read:

24 "62-19-21. COMMISSION RULES.--Unless otherwise provided
25 by law, rules shall be adopted, amended or repealed in

1 accordance with the State Rules Act."

2 SECTION 11. Section 62-19-22 NMSA 1978 (being Laws 1998,
3 Chapter 108, Section 16) is amended to read:

4 "62-19-22. RECORD OF PROCEEDINGS.--Unless otherwise
5 provided by law, the commission may by rule provide that oral
6 proceedings before the commission may be taken by any means
7 that provides a full and complete record, including tape
8 recording or stenography. The commission by rule shall
9 determine when tape recordings are transcribed. A party to
10 the proceeding may request a copy of a tape recording or a
11 written transcript if one is provided. The agency may charge
12 a reasonable fee for a copy of a proceeding. Copy costs
13 shall be determined by the commission by rule and money
14 collected shall be deposited in the utility oversight fund."

15 SECTION 12. Section 62-19-23 NMSA 1978 (being Laws 1998,
16 Chapter 108, Section 17, as amended) is amended to read:

17 "62-19-23. EX PARTE AND PERMITTED COMMUNICATIONS.--

18 A. A commissioner shall not initiate, permit or
19 consider a communication directly or indirectly with a party
20 or the party's representative outside the presence of the
21 other parties concerning a pending rulemaking after the
22 record has been closed or a pending adjudication.

23 B. A hearing examiner shall not initiate, permit or
24 consider a communication directly or indirectly with a party
25 or the party's representative outside the presence of the

1 other parties concerning a pending rulemaking or
2 adjudication.

3 C. Notwithstanding the provisions of Subsections A
4 and B of this section, the following ex parte communications
5 are permitted:

6 (1) where circumstances require, ex parte
7 communications for procedural or administrative purposes or
8 emergencies that do not deal with substantive matters or
9 issues on the merits are allowed if the commissioner or
10 hearing examiner reasonably believes that no party will gain
11 an advantage as a result of the ex parte communication and
12 the commissioner or hearing examiner makes provision to
13 promptly notify all other parties of the substance of the ex
14 parte communication;

15 (2) a commissioner may consult with another
16 commissioner, subject to the requirements of the Open
17 Meetings Act, or with advisory staff whose function is to
18 advise the commission in carrying out the commissioner's
19 rulemaking or adjudicative responsibilities;

20 (3) a hearing examiner may consult with the
21 commission's advisory staff;

22 (4) a commissioner or hearing examiner may
23 obtain the advice of a nonparty expert on an issue raised in
24 the rulemaking or adjudication if the commissioner or hearing
25 examiner gives notice to the parties of the person consulted

1 and the substance of the advice and affords the parties
2 reasonable opportunity to respond; and

3 (5) pursuant to the commission's rulemaking
4 authority, a party to a proceeding may consult with the
5 commission's advisory staff.

6 D. A commissioner or hearing examiner who receives
7 or who makes or knowingly causes to be made a communication
8 prohibited by this section shall disclose it to all parties
9 and give other parties an opportunity to respond.

10 E. Upon receipt of a communication knowingly made
11 or caused to be made by a party to a commissioner or hearing
12 examiner in violation of this section, the commissioner or
13 hearing examiner may, to the extent consistent with the
14 interests of justice and the policy of the underlying
15 statutes, require the party to show cause why the party's
16 claim or interest in the proceeding should not be dismissed,
17 denied, disregarded or otherwise adversely affected on
18 account of the violation of this section."

19 **SECTION 13.** Section 62-19-24 NMSA 1978 (being Laws 1998,
20 Chapter 108, Section 20) is amended to read:

21 "62-19-24. COMMISSION REPORTS.--By May 1 of each year,
22 the commission shall report to the legislature and the
23 governor regarding its activities for the previous year in
24 sufficient detail to disclose the workings of the commission
25 and the impact of regulation on the industries regulated by

1 the commission. The report shall include information on
2 consumer complaints and their status. The report may include
3 suggestions and recommended changes in law, as the commission
4 deems appropriate, that would be in the public interest."

5 SECTION 14. A new section of the Public Regulation
6 Commission Act is enacted to read:

7 "CHIEF OF STAFF.--

8 A. The chief of staff shall serve at the pleasure
9 of the commission and act consistent with its goals,
10 decisions and directives.

11 B. The chief of staff shall:

12 (1) be responsible for the day-to-day
13 operations of the agency;

14 (2) ensure that the agency carries out all
15 duties and responsibilities with which it is charged by law;

16 (3) supervise and direct the staff and
17 operations of the agency;

18 (4) assign such personnel as are necessary to:

19 (a) serve as public interest advocacy
20 staff to the commission in the regulation of electric,
21 natural gas, renewable energy sources, telecommunications and
22 water and wastewater systems as provided by law. The staff
23 may present testimony and evidence, cross-examine witnesses
24 and partner and collaborate with other stakeholders in
25 furtherance of the advocacy staff's views on how the

1 commission should fulfill its responsibility to balance the
2 public interest, consumer interest and investor interest;

3 (b) serve as advisory staff to advise and
4 assist the commission on any matter before the commission;
5 provided that the advisory staff may have expertise in law,
6 engineering, economics or other professional or technical
7 disciplines;

8 (c) receive and investigate nondocketed
9 consumer complaints and assist consumers in resolving, in a
10 fair and timely manner, complaints against a person under the
11 authority of the commission, including mediation and other
12 methods of alternative dispute resolution; provided that
13 assistance pursuant to this subparagraph does not include
14 legal representation of a private complainant in an
15 adjudicatory proceeding;

16 (d) consult with other state agencies as
17 needed to ensure fair and timely resolution of consumer
18 complaints;

19 (e) advise the commission on how to
20 maximize public participation in commission proceedings,
21 including ways to eliminate language, disability and other
22 barriers;

23 (f) identify, research and advise the
24 commission on consumer issues;

25 (g) assist the commission in the

1 development and implementation of consumer policies and
2 programs;

3 (h) record, for the purpose of determining
4 general concerns of consumers, all complaints with regard to
5 quality or quantity of service provided by a regulated entity
6 or its competitors;

7 (i) review disputes between
8 telecommunications providers;

9 (j) investigate each complaint regarding a
10 telecommunications provider on an expedited basis;

11 (k) address other
12 telecommunications-related duties as required by the New
13 Mexico Telecommunications Act and the commission;

14 (l) recommend telecommunications-related
15 actions to the commission;

16 (m) record the judgments, rules, orders
17 and other proceedings of the commission and make a complete
18 index to the judgments, rules, orders and other proceedings;

19 (n) issue and attest all processes issuing
20 from the commission and affix the seal of the commission to
21 them;

22 (o) preserve the seal and other property
23 belonging to the agency;

24 (p) perform other agency duties and
25 responsibilities; and

1 (q) carry out the provisions of the
2 Pipeline Safety Act;

3 (5) organize the agency into organizational
4 units as necessary to enable it to function most efficiently;
5 and

6 (6) appoint a professional engineer who shall
7 have at least five years' experience in the design,
8 construction, maintenance and operation of oil or gas
9 pipeline facilities, who shall be designated pipeline safety
10 engineer for the purposes of the Pipeline Safety Act.

11 C. The chief of staff may:

12 (1) employ such professional, technical and
13 clerical assistance as is necessary to assist the agency and
14 commission in performing their powers and duties;

15 (2) hire on a temporary, term or contract basis
16 such other experts or staff as the commission requires for a
17 particular case;

18 (3) retain competent attorneys to give advice,
19 counsel and representation in all legal matters of the
20 commission and agency;

21 (4) set minimum educational and experience
22 requirements for all staff positions;

23 (5) conduct research and studies to improve the
24 agency's operations or the provision of services to the
25 residents of New Mexico;

1 (6) apply for and accept grants and donations
2 in the name of the state to carry out the agency's powers and
3 duties; and

4 (7) enter into contracts on behalf of the
5 agency."

6 **SECTION 15.** Section 63-7-21 NMSA 1978 (being Laws 1951,
7 Chapter 194, Section 2, as amended) is amended to read:

8 "63-7-21. DISPOSITION OF FEES.--All money collected
9 under the provisions of Section 63-7-20 NMSA 1978 shall be
10 deposited with the state treasurer and shall be credited to
11 the utility oversight fund."

12 **SECTION 16.** Section 70-3-2 NMSA 1978 (being Laws 1953,
13 Chapter 42, Section 3, as amended) is amended to read:

14 "70-3-2. LICENSE--FEES--DISPOSITION.--An operator of a
15 pipeline operated in the state for the transportation of
16 crude oil, natural gas or the products derived from either
17 shall, during the month of July, obtain a license for the
18 operation of the pipeline. Application for a license shall
19 be made upon a form to be provided by the public regulation
20 commission and shall be accompanied by the license fee
21 determined as provided in this section. On receipt of the
22 application and license fee, the public regulation commission
23 shall issue a license to the applicant for the current fiscal
24 year. All license fees collected shall be paid to the state
25 treasurer and credited to the utility oversight fund.

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SCHEDULE OF ANNUAL LICENSE FEES

A. A person transporting natural gas or natural gas products by pipeline in New Mexico and operating a pipeline and appurtenant facilities within New Mexico shall pay an annual license fee of five hundred dollars (\$500) at the time of making the application required by this section. An additional fee shall be paid, measured by the aggregate installed rated horsepower of compression facilities located within New Mexico and operated by the licensee, in accordance with the following schedule:

(1) not exceeding ten thousand horsepower, the minimum fee with no additional fee;

(2) more than ten thousand horsepower and not more than thirty thousand horsepower, the minimum fee plus two thousand two hundred seventy-five dollars (\$2,275);

(3) more than thirty thousand horsepower and not more than fifty thousand horsepower, the minimum fee plus four thousand dollars (\$4,000);

(4) more than fifty thousand horsepower and not more than seventy-five thousand horsepower, the minimum fee plus five thousand dollars (\$5,000);

(5) more than seventy-five thousand horsepower and not more than one hundred thousand horsepower, the minimum fee plus five thousand five hundred dollars (\$5,500);
and

1 (6) more than one hundred thousand horsepower,
2 the minimum fee plus five thousand nine hundred twenty-five
3 dollars (\$5,925) and plus seventy-five dollars (\$75.00)
4 additional for each ten thousand horsepower or fraction
5 thereof in excess of one hundred thousand horsepower.

6 B. An operator of a pipeline for the transportation
7 of oil or its products shall pay a basic fee of five hundred
8 dollars (\$500) plus fees based on the number of miles of
9 pipeline operated in New Mexico, computed in accordance with
10 the following schedule:

11 (1) for all lines up to and including eight
12 inches in diameter:

13 (a) thirteen dollars (\$13.00) per mile for
14 the first fifty miles;

15 (b) seven dollars (\$7.00) per mile for the
16 next twenty-five miles;

17 (c) four dollars (\$4.00) per mile for the
18 next twenty-five miles; and

19 (d) one dollar (\$1.00) per mile for each
20 mile in excess of one hundred miles; and

21 (2) for all lines more than eight inches in
22 diameter:

23 (a) eighteen dollars (\$18.00) per mile for
24 the first twenty-five miles;

25 (b) thirteen dollars (\$13.00) per mile for

1 the next twenty-five miles;

2 (c) nine dollars (\$9.00) per mile for the
3 next twenty-five miles;

4 (d) six dollars (\$6.00) per mile for the
5 next twenty-five miles; and

6 (e) two dollars (\$2.00) per mile for each
7 mile in excess of one hundred miles.

8 C. For the purposes of determining the license fees
9 payable under the provisions of Subsection B of this section,
10 any pipeline owned by two or more persons shall be considered
11 to be a separate pipeline operation to be licensed as such in
12 the name of the operator or owners thereof. The basic fee to
13 be paid in the licensing of such lines under the fee schedule
14 provided in Subsection B of this section shall be:

15 (1) five hundred dollars (\$500) on lines less
16 than twenty inches in diameter; and

17 (2) eight hundred fifty dollars (\$850) on lines
18 twenty inches or more in diameter."

19 **SECTION 17. REPEAL.**--Sections 62-19-11 through 62-19-19
20 and 70-3-20 NMSA 1978 (being Laws 1998, Chapter 108, Sections
21 5 through 8 and 10; Laws 2023, Chapter 100, Section 19; Laws
22 1998, Chapter 108, Section 12; Laws 2000, Chapter 100,
23 Section 1 and Laws 2000, Chapter 102, Section 1; Laws 1998,
24 Chapter 108, Section 13; and Laws 1969, Chapter 71, Section
25 10, as amended) are repealed.

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SECTION 18. EFFECTIVE DATE.--The effective date of
Section 15 of this act is July 1, 2027. _____