

1 SENATE MEMORIAL 9

2 **57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026**

3 INTRODUCED BY

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10 A MEMORIAL

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

16 WHEREAS, private equity firms are currently seeking
17 approval from the public regulation commission to acquire the
18 New Mexico gas company and TXNM energy, inc., the parent
19 company of the public service company of New Mexico; and

20 WHEREAS, the public regulation commission is currently
21 evaluating those approval requests, but there is no statutory
22 deadline by which a decision must be made; and

23 WHEREAS, the utilities sought to be acquired by the
24 private equity firms provide essential services to New Mexico
25 residents, collect billions of dollars of revenues from New

1 Mexico residents and have a significant impact on New Mexico's
2 economy, as well as the health and well-being of its residents;
3 and

4 WHEREAS, New Mexico currently has a number of funds that
5 invest money for the purpose of benefiting New Mexico and its
6 residents; and

7 WHEREAS, if a state investment fund purchased an equity
8 interest in the utilities, the state could be provided with the
9 same low-risk, high returns on investment in the form of
10 dividends, profits and growth that the utilities' current
11 shareholders have received; and

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

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

17 WHEREAS, New Mexico and its residents could benefit
18 financially from the state purchasing a substantial share of
19 the equity of the utilities that private equity firms are
20 currently seeking to acquire; and

21 WHEREAS, an additional benefit to the state from
22 purchasing a substantial share of the equity of the utilities
23 would be an increased opportunity to promote and influence
24 business policies and practices that better serve and protect
25 the interest of New Mexico residents; and

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

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

17 BE IT FURTHER RESOLVED that the staff of the legislative
18 finance committee be requested to periodically report to the
19 committee on the progress of the study and to present a final
20 report with recommendations to the committee by December 1,
21 2026; and

22 BE IT FURTHER RESOLVED that the public regulation
23 commission be requested to refrain from approving any private
24 equity acquisition of the New Mexico gas company and TXNM
25 energy, inc., the parent company of the public service company

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1 of New Mexico, until the studies requested in this memorial
2 have been completed and submitted to the legislative finance
3 committee, but in no event prior to the conclusion of the first
4 session of the fifty-eighth legislature; and

5 BE IT FURTHER RESOLVED that copies of this memorial be
6 transmitted to the legislative finance committee, the public
7 regulation commission, the New Mexico finance authority, the
8 attorney general, the state investment council and the economic
9 development department.

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