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SENATE BILL 774

46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003

INTRODUCED BY

Michael S. Sanchez

AN ACT

RELATING TO TELECOMMUNICATIONS; ENACTING A NEW SECTION OF THE  
NEW MEXICO TELECOMMUNICATIONS ACT CONCERNING THE ACQUISITION,  
CONSOLIDATION AND MERGER OF TELECOMMUNICATIONS COMPANIES.

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

Section 1. A new section of the New Mexico

Telecommunications Act is enacted to read:

" NEW MATERIAL ACQUISITIONS, CONSOLIDATIONS AND MERGERS--  
CONSENT OF COMMISSION. --

A. With the prior express authorization of the  
commission, but not otherwise:

(1) any two or more telecommunications  
companies may consolidate or merge with each other so as to  
form a new concern;

(2) any person and a telecommunications

underscored material = new  
[bracketed material] = delete

1 company that provides local exchange service may consolidate or  
2 merge with each other so as to form a new concern;

3 (3) stock of a telecommunications company that  
4 provides local exchange service may be acquired by:

5 (a) any person who prior to the  
6 acquisition of any such stock or part thereof is a person  
7 subject to regulation or classified as a telecommunications  
8 company that provides local exchange service in any  
9 jurisdiction;

10 (b) any person who is or during the  
11 course of an acquisition subject to this section becomes  
12 subject to regulation or is classified as a telecommunications  
13 company that provides local exchange service in any  
14 jurisdiction based on reasons other than solely the acquisition  
15 described in this paragraph;

16 (c) any person associated, affiliated or  
17 acting in concert with any person subject to regulation or  
18 classified as a telecommunications company that provides local  
19 exchange service in any jurisdiction for the purposes of any  
20 acquisition subject to the provisions of this section;

21 (d) any person associated, affiliated or  
22 acting in concert with a person described in Subparagraph (a),  
23 (b) or (c) of this paragraph; or

24 (e) any person who, during the course of  
25 an acquisition subject to this section, merges or consolidates

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[bracketed material] = delete

1 with a person described in Subparagraph (a), (b), (c) or (d) of  
2 this paragraph; and

3 (4) any telecommunications company that  
4 provides local exchange service may sell, lease, rent, purchase  
5 or acquire any telecommunications company plant or property  
6 constituting an operating unit or system or any substantial  
7 part thereof; provided, however, that this paragraph shall not  
8 be construed to require authorization for transactions in the  
9 ordinary course of business.

10 B. Any consolidation, merger, acquisition or  
11 transaction resulting in control or exercise of control or  
12 other transaction in contravention of this section without  
13 prior authorization of the commission shall be void and of no  
14 effect.

15 C. This section shall apply to all  
16 telecommunications companies that provide local exchange  
17 service and are regulated pursuant to the provisions of the New  
18 Mexico Telecommunications Act or the Rural Telecommunications  
19 Act of New Mexico. "