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New Mexico Notes

New Mexico's State Capital building (known as the Roundhouse) is in a tailspin with all the elected officials retiring, changing houses or being primaried by their own party. The republican Minority Leaders in both the House of Representatives and Senate will be retiring and not seeking reelection.



Senators retiring:

- ✓ **Greg Baca:** Minority leader Republican Bernalillo and Valencia Counties
- ✓ **Steve Neville:** Republican Aztec County
- ✓ **Brenda McKenna:** Democrat Bernalillo County
- ✓ **Jerry Ortiz y Pino:** Democrat Bernalillo County
- ✓ **Bill Tallman:** Democrat Bernalillo County
- ✓ **Gregg Schmedes:** Republican Bernalillo, Sandoval, Santa Fe and Torrance Counties
- ✓ **Mark Moores:** Republican Bernalillo County
- ✓ **Nancy Rodriguez:** Democrat Santa Fe County
- ✓ **Cliff Pirtle:** Republican Chaves, Eddy, and Otero Counties
- ✓ **William Burt:** Republican Chaves, Lincoln, and Otero Counties
- ✓ **Ron Griggs:** Republican Dona Ana, Eddy, and Otero Counties

Representatives Retiring:

- ✓ **Ryan Lane:** Minority Leader Republican San Juan County
- ✓ **Anthony Allison:** Democrat San Juan County
- ✓ **Gail Chasey:** Democrat Majority Leader Bernalillo County
- ✓ **Bill Rehm:** Republican Bernalillo County
- ✓ **Jason Harper:** Republican Sandoval County

New Mexico will also lose five senior House of Representatives members, as they are running for Senate seats. We also have 14 Representative seats that will face primaries along with eight Senators who will also face primaries.

All of these less-experienced new legislators will be facing the current administration's focus on new revenue streams. About half of New Mexico's general fund revenue can be traced to the oil and natural gas sector through an array of taxes and royalties on petroleum production that takes place on public lands, and distributions that flow from the state's \$28 billion land grant permanent fund for education, which is nurtured by oil income and investment earnings.

Governor Michelle Lujan Grisham is looking for new revenue streams that shift the state's dependence on oil, including the administration's proposal to help preserve freshwater aquifers with a \$500 million initiative to underwrite the

treatment of fracking wastewater. “We put a ton of money into funds,” Lujan Grisham said from the U.N. climate conference in the United Arab Emirates, where calls to phase out the use of fossil fuels have been on prominent display.

News Around New Mexico:

- **State Legislature Passes a Statewide Clean Fuels Standard:** HB 41 Authorizes the Environmental Improvement Board (EIB) to adopt rules to establish and assess fees for a clean transportation fuels standard.
- **State and Local Boards Adopt Advanced Clean Car Rules:** State and local air quality boards (The Albuquerque-Bernalillo Air Quality Control Board and the State’s Environmental Improvement Board (EIB) adopted a handful of clean car rules intended to up the percentage of zero-emission vehicles, or ZEVs, delivered to the state. The rules broadly target new cars, and the required percentage for ZEVs. The advanced clean cars II rule says starting with model year 2027, auto manufacturers will need to deliver 43% ZEVs to dealers in the state. And by model year 2032, that percentage will increase to 82%. The advanced clean truck rule will set similar rules for delivery of new vehicles.
- **State Supreme Court Upholds Redistricting Plan:** The New Mexico Supreme Court upheld the lower court’s decision rejecting Republicans’ challenge to redistricting, writing that they did not find that vote dilution in Congressional District 2 “rises to the level of egregious gerrymandering.”

Some of the biggest New Mexico stories for 2023:

- **Virgin Galactic:** For the first time from southern New Mexico, the company launched five commercial flights to sub orbit.
- **Maxeon Solor Technologies:** In one of the biggest expansion announcements in the state’s history-Singapore-based Maxeon Solor Technologies announced it will build a roughly 1.9 million square-foot facility at Mesa del Sol, where it will open the nation’s first new domestic factory in over a decade to build both solar cells and panels. Maxeon announced the company will bring approximately 1800 jobs, with the company investing more than \$1 billion.

- **In-N-Out Burger:** In-N-Out Burger, the famed chain known for its simplistic menu and consistent service announced — finally — that it plans to bring its burger joints to New Mexico, starting with Albuquerque.
- **Ongoing PNM-Avangrid Merger:** The public Service Co. of New Mexico wants to merge with Avangrid, an energy company based in Connecticut, and a subsidiary of the energy giant Iberdrola. The proposed deal started in 2020, and now, for the second time, the merger has been called off.
- **Presbyterian Merger:** Presbyterian Healthcare Services, one of the state’s largest health systems, announced it planned to merge with Iowa-based UnityPoint Health for the consolidation of administrative services. The \$11 billion deal fell through, but Presbyterian announced they would continue to explore options.
- **SunZia Breaks Ground:** The SunZia transmission and wind project broke ground kicking off a three-year construction process to bring the massive renewable-energy system online by 2026. It is billed as the largest single clean-energy development effort in U.S. history, and possibly the largest ever in the Western Hemisphere.
- **New Mexico to get millions for EV charging stations:** New Mexico will get almost \$68 million to build an EV electric vehicle charging network. The Federal Highway Administration has awarded three grants in New Mexico: \$63.8 million for charging centers in Hidalgo and Dona Ana counties, \$3.3 million for an electric vehicle charging network and station in Santa Fe County, and \$500,000 for EV chargers in Taos.
- **Is Carbon Capture, Hydrogen the future of New Mexico Energy?** “Building an Advanced Energy Ecosystem in New Mexico” conference, led by New Mexico Representative Merideth Dixon, D- Albuquerque provided a glimpse into what it’s going to take to ensure New Mexico can transition to a sustainable future. The conference was widely attended by a diverse group of New Mexico stakeholders, including federal and state lawmakers, NGO’s business and community leaders, and environmental organizations. Two key technologies discussed were Carbon Capture and Storage (CCS), and Hydrogen.
- **More than \$40 Million Dollars Coming to New Mexico for Carbon Sequestration:** The Petroleum Recovery Research Center at New Mexico Tech has been putting carbon in the ground for 20 years and researching carbon capture for decades. This year the center was awarded \$41.1 million in federal funding for a Four Corners carbon storage project.



NEW MEXICO PETROLEUM MARKETERS ASSOCIATION
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