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HOUSE MEMORIAL 56

**47TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2006**

INTRODUCED BY

Hector H. Balderas

A MEMORIAL

REQUESTING THE NEW MEXICO LEGISLATIVE COUNCIL TO CREATE A TASK  
FORCE TO STUDY AND MAKE RECOMMENDATIONS CONCERNING THE PROBLEM  
OF BANK CLOSURES IN RURAL AREAS OF NEW MEXICO.

WHEREAS, a national banking institution has recently  
announced that it will close the only banks in Roy, Wagon Mound  
and Vaughn, New Mexico, including the only bank in Harding  
county; and

WHEREAS, these banks provide an important service to these  
rural communities, including providing banking to senior  
citizens, retirees, local businesses, school districts and  
local governments; and

WHEREAS, the announced closings have caught many rural  
citizens by surprise and have left them without reasonable  
alternatives, causing them to face extended travel to meet

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1 their banking needs; and

2 WHEREAS, large, publically traded banking institutions  
3 believe that due to increasing government regulation, the cost  
4 of doing business in rural areas with small population bases is  
5 no longer profitable;

6 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF  
7 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the New Mexico  
8 legislative council be requested to form a rural banking task  
9 force to be comprised of the mayors of Roy, Wagon Mound and  
10 Vaughn, New Mexico or their designees; the chair of the board  
11 of county commissioners of Harding county or the chair's  
12 designee; the director of the financial institutions division  
13 of the regulation and licensing department or the director's  
14 designee; the secretary of economic development or the  
15 secretary's designee; the executive directors of the New Mexico  
16 finance authority and the New Mexico mortgage finance authority  
17 or their designees; representatives from the New Mexico bankers  
18 association, the credit union association of New Mexico and  
19 community banks; and representatives of community residents and  
20 business persons affected by the bank closings; and

21 BE IT FURTHER RESOLVED that the rural banking task force  
22 be requested to study solutions to the rural banking crisis in  
23 New Mexico and to consider what incentives might be implemented  
24 to support a viable banking industry in rural New Mexico; and

25 BE IT FURTHER RESOLVED that the rural banking task force

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1 be requested to report its findings and recommendations to the  
2 appropriate legislative interim committee no later than  
3 November 1, 2006; and

4 BE IT FURTHER RESOLVED that copies of this memorial be  
5 transmitted to the mayors of Roy, Wagon Mound and Vaughn, New  
6 Mexico; the chair of the board of county commissioners of  
7 Harding county; the director of the financial institutions  
8 division of the regulation and licensing department; the  
9 secretary of economic development; the executive directors of  
10 the New Mexico finance authority and the New Mexico mortgage  
11 finance authority; the New Mexico bankers association; the  
12 credit union association of New Mexico; and the co-chairs of  
13 the New Mexico legislative council.

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