

SENATE FLOOR SUBSTITUTE FOR
SENATE BILL 39

55TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2022

AN ACT

RELATING TO PROCUREMENT; INCREASING THE PREFERENCE FOR NEW MEXICO RESIDENT BUSINESSES AND CONTRACTORS; ELIMINATING THE TIME LIMITATION FOR SPECIAL PREFERENCES FOR NEW MEXICO RESIDENT VETERAN BUSINESSES AND RESIDENT VETERAN CONTRACTORS; PROVIDING FOR A PREFERENCE FOR NEW MEXICO NATIVE AMERICAN RESIDENT AND RESIDENT VETERAN BUSINESSES AND CONTRACTORS.

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

SECTION 1. Section 13-1-21 NMSA 1978 (being Laws 1979, Chapter 72, Section 1, as amended) is amended to read:

"13-1-21. APPLICATION OF PREFERENCES.--

A. For the purposes of this section:

(1) "business" means a commercial enterprise carried on for the purpose of selling goods or services, including growing, producing, processing or distributing

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1 agricultural products;

2 (2) "formal bid process" means a competitive
3 bid process;

4 (3) "formal request for proposals process"
5 means a competitive proposal process, including a competitive
6 qualifications-based proposal process;

7 (4) "Native American resident business" means
8 a business that has a valid Native American resident business
9 certificate issued by the taxation and revenue department
10 pursuant to Section 13-1-22 NMSA 1978 but does not include a
11 Native American resident veteran business;

12 (5) "Native American resident veteran
13 business" means a business that has a valid Native American
14 resident veteran business certificate issued by the taxation
15 and revenue department pursuant to Section 13-1-22 NMSA 1978;

16 [~~4~~] (6) "public body" means a department,
17 commission, council, board, committee, institution, legislative
18 body, agency, government corporation, educational institution
19 or official of the executive, legislative or judicial branch of
20 the government of the state or a political subdivision of the
21 state and the agencies, instrumentalities and institutions
22 thereof, including two-year post-secondary educational
23 institutions, school districts, local school boards and all
24 municipalities, including home-rule municipalities;

25 [~~5~~] (7) "recycled content goods" means

1 supplies and materials composed twenty-five percent or more of
 2 recycled materials; provided that the recycled materials
 3 content meets or exceeds the minimum content standards required
 4 by bid specifications;

5 [~~(6)~~] (8) "resident business" means a business
 6 that has a valid resident business certificate issued by the
 7 taxation and revenue department pursuant to Section 13-1-22
 8 NMSA 1978 but does not include a resident veteran business; and

9 [~~(7)~~] (9) "resident veteran business" means a
 10 business that has a valid resident veteran business certificate
 11 issued by the taxation and revenue department pursuant to
 12 Section 13-1-22 NMSA 1978.

13 B. Except as provided in Subsection C of this
 14 section, when a public body makes a purchase using a formal bid
 15 process, the public body shall deem a bid submitted by a:

16 (1) resident business or Native American
 17 resident business to be [~~five~~] eight percent lower than the bid
 18 actually submitted; or

19 (2) resident veteran business or Native
 20 American resident veteran business with annual gross revenues
 21 of up to [~~three million dollars (\$3,000,000)~~] six million
 22 dollars (\$6,000,000) in the preceding tax year to be ten
 23 percent lower than the bid actually submitted.

24 C. When a public body makes a purchase using a
 25 formal bid process and the bids are received for both recycled

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1 content goods and nonrecycled content goods, the public body
2 shall deem:

3 (1) bids submitted for recycled content goods
4 from any business, except a resident veteran business or Native
5 American resident veteran business, to be [~~five~~] eight percent
6 lower than the bids actually submitted; or

7 (2) bids submitted for recycled content goods
8 from a resident veteran business or Native American resident
9 veteran business with annual gross revenues of up to [~~three~~
10 ~~million dollars (\$3,000,000)]~~ six million dollars (\$6,000,000)
11 in the preceding tax year to be ten percent lower than the bids
12 actually submitted.

13 D. When a public body makes a purchase using a
14 formal request for proposals process, not including contracts
15 awarded on a point-based system, the public body shall award an
16 additional:

17 (1) [~~five~~] eight percent of the total weight
18 of all the factors used in evaluating the proposals to a
19 resident business or Native American resident business; and

20 (2) ten percent of the total weight of all the
21 factors used in evaluating the proposals to a resident veteran
22 business or Native American resident veteran business that has
23 annual gross revenues of up to [~~three million dollars~~
24 ~~(\$3,000,000)]~~ six million dollars (\$6,000,000) in the preceding
25 tax year.

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1 E. When a public body makes a purchase using a
2 formal request for proposals process, and the contract is
3 awarded based on a point-based system, the public body shall
4 award additional points equivalent to:

5 (1) [~~five~~] eight percent of the total possible
6 points to a resident business or Native American resident
7 business; or

8 (2) ten percent of the total possible points
9 to a resident veteran business or Native American resident
10 veteran business that has annual gross revenues of up to [~~three~~
11 ~~million dollars (\$3,000,000)]~~ six million dollars (\$6,000,000)
12 in the preceding tax year.

13 F. When a joint bid or joint proposal is submitted
14 by a combination of resident veteran, Native American resident
15 veteran, resident, Native American resident or nonresident
16 businesses, the preference provided pursuant to Subsection B,
17 C, D or E of this section shall be calculated in proportion to
18 the percentage of the contract, based on the dollar amount of
19 the goods or services provided under the contract, that will be
20 performed by each business as specified in the joint bid or
21 proposal.

22 G. [~~A resident veteran business shall not benefit~~
23 ~~from the preference pursuant to this section for more than ten~~
24 ~~consecutive years. A person that is an owner of a business~~
25 ~~that is a resident veteran business shall not benefit from the~~

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1 ~~preference pursuant to this section for more than ten~~
2 ~~consecutive years]~~ A person shall not benefit from the
3 provisions of this section based on more than one business
4 concurrently.

5 H. A public body shall not award a business both a
6 resident business preference and a resident veteran business
7 preference or a Native American resident business preference
8 and a Native American resident veteran business preference.

9 I. The procedures provided in Sections 13-1-172
10 through 13-1-183 NMSA 1978 or in an applicable purchasing
11 ordinance apply to a protest to a public body concerning the
12 awarding of a contract in violation of this section.

13 J. This section shall not apply when the
14 expenditure includes federal funds for a specific purchase."

15 SECTION 2. Section 13-1-22 NMSA 1978 (being Laws 2012,
16 Chapter 56, Section 4, as amended) is amended to read:

17 "13-1-22. RESIDENT BUSINESS AND RESIDENT CONTRACTOR
18 CERTIFICATION--NATIVE AMERICAN RESIDENT BUSINESS AND NATIVE
19 AMERICAN RESIDENT CONTRACTOR CERTIFICATES--RESIDENT VETERAN
20 BUSINESS AND RESIDENT VETERAN CONTRACTOR CERTIFICATES.--

21 A. To receive a resident business, Native American
22 resident business, resident veteran business or Native American
23 resident veteran business preference pursuant to Section
24 13-1-21 NMSA 1978 or a resident contractor, Native American
25 resident contractor, resident veteran contractor or Native

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1 American resident veteran contractor preference pursuant to
2 Section 13-4-2 NMSA 1978, a business or contractor shall submit
3 with its bid or proposal a copy of a valid resident business,
4 Native American resident business, resident veteran business or
5 Native American resident veteran business certificate or valid
6 resident contractor, Native American resident contractor,
7 resident veteran contractor or Native American resident veteran
8 contractor certificate issued by the taxation and revenue
9 department.

10 B. An application for a resident business
11 certificate shall include an affidavit from a certified public
12 accountant setting forth that the business is licensed to do
13 business in this state and that:

14 (1) the business has paid property taxes or
15 rent on real property in the state and paid at least one other
16 tax administered by the state in each of the three years
17 immediately preceding the submission of the affidavit;

18 (2) if the business is a new business, the
19 owner or majority of owners has paid property taxes or rent on
20 real property in the state and has paid at least one other tax
21 administered by the state in each of the three years
22 immediately preceding the submission of the affidavit and has
23 not applied for a resident business or resident contractor
24 certificate pursuant to this section during that time period;

25 (3) if the business is a relocated business,

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1 at least eighty percent of the total personnel of the business
2 in the year immediately preceding the submission of the
3 affidavit were residents of the state and that, prior to the
4 submission of the affidavit, the business either leased real
5 property for ten years or purchased real property greater than
6 one hundred thousand dollars (\$100,000) in value in the state;
7 or

8 (4) if the business is a previously certified
9 business or was eligible for certification, the business has
10 changed its name, has reorganized into one or more different
11 legal entities, was purchased by another legal entity but
12 operates in the state as substantially the same commercial
13 enterprise or has merged with a different legal entity but
14 operates in the state as substantially the same commercial
15 enterprise.

16 C. An application for a resident veteran business
17 certificate shall include the affidavit required by Subsection
18 B of this section and:

19 (1) verification by the United States
20 department of veterans affairs as being either a veteran-owned
21 small business or a service-disabled veteran-owned small
22 business; or

23 (2) verification of veteran status as
24 indicated by the United States department of defense DD form
25 214 of release or discharge from active duty with an honorable

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1 discharge or of service-disabled veteran status by the United
2 States department of veterans affairs and proof that a veteran
3 or veterans own a majority of the business.

4 [G.] D. An application for a resident contractor
5 certificate shall include an affidavit from a certified public
6 accountant setting forth that the contractor is currently
7 licensed as a contractor in this state and that:

8 (1) the contractor has:

9 (a) registered with the state at least
10 one vehicle; and

11 (b) in each of the five years
12 immediately preceding the submission of the affidavit: 1) paid
13 property taxes or rent on real property in the state and paid
14 at least one other tax administered by the state; and 2) paid
15 unemployment insurance on at least three full-time employees
16 who are residents of the state; provided that if a contractor
17 is a legacy contractor, the requirement of at least three full-
18 time employees who are residents of the state is waived;

19 (2) if the contractor is a new contractor, the
20 owner or majority of owners has paid property taxes or rent on
21 real property in the state and has paid at least one other tax
22 administered by the state in each of the five years immediately
23 preceding the submission of the affidavit and has not applied
24 for a resident business or resident contractor certificate
25 pursuant to this section during that time period;

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1 (3) if the contractor is a relocated business,
2 at least eighty percent of the total personnel of the business
3 in the year immediately preceding the submission of the
4 affidavit were residents of the state and that, prior to the
5 submission of the affidavit, the contractor either leased real
6 property for ten years or purchased real property greater than
7 one hundred thousand dollars (\$100,000) in value in the state;
8 or

9 (4) if the contractor is a previously
10 certified contractor or was eligible for certification, the
11 contractor has changed its name, has reorganized into one or
12 more different legal entities, was purchased by another legal
13 entity but operates in the state as substantially the same
14 enterprise or has merged with a different legal entity but
15 operates in the state as substantially the same commercial
16 enterprise.

17 E. An application for a resident veteran contractor
18 certificate shall include the affidavit required by Subsection
19 D of this section and:

20 (1) verification by the United States
21 department of veterans affairs as being either a veteran-owned
22 small business or a service-disabled veteran-owned small
23 business; or

24 (2) verification of veteran status as
25 indicated by the United States department of defense DD form

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1 214 of release or discharge from active duty with an honorable
2 discharge or of service-disabled veteran status by the United
3 States department of veterans affairs and proof that a veteran
4 or veterans own a majority of the business.

5 F. An application for a Native American resident
6 business certificate or a Native American resident contractor
7 certificate shall include an affidavit from a notary public
8 setting forth that the business is:

9 (1) operating on lands located on an Indian
10 nation, tribe or pueblo located in whole or in part on land
11 within New Mexico; and

12 (2) at least fifty-one percent owned by an
13 Indian nation, tribe or pueblo located in whole or in part on
14 land within New Mexico; provided that:

15 (a) the Indian nation, tribe or pueblo
16 receives at least a majority of the net income from the
17 business; and

18 (b) the management and daily operation
19 of the business are controlled by one or more individuals who
20 are members of a New Mexico Indian nation, tribe or pueblo; or

21 (3) at least fifty-one percent owned by one or
22 more New Mexico residents who are members of a federally
23 recognized Indian nation, tribe or pueblo located in whole or
24 in part on land within New Mexico and that is established for
25 the purpose of profit; provided that:

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1 (a) the Native American owners receive
2 at least a majority of the net income from the business; and

3 (b) the management and daily operation
4 of the business are controlled by one or more individuals who
5 are members of a New Mexico Indian nation, tribe or pueblo.

6 G. An application for a Native American resident
7 veteran business certificate or a Native American resident
8 veteran contractor certificate shall include the affidavit
9 required by Subsection F of this section and, if the business
10 is not owned by an Indian nation, tribe or pueblo:

11 (1) verification by the United States
12 department of veterans affairs that the business is either a
13 veteran-owned small business or a service-disabled veteran-
14 owned small business;

15 (2) verification of veteran status of a
16 majority of the owners of the business as indicated by the
17 United States department of defense DD form 214 of release or
18 discharge from active duty with an honorable discharge or of
19 service-disabled veteran status by the United States department
20 of veterans affairs; or

21 (3) verification of veteran status of the
22 contractor as indicated by the United States department of
23 defense DD form 214 of release or discharge from active duty
24 with an honorable discharge or of service-disabled veteran
25 status by the United States department of veterans affairs.

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1 ~~[D.]~~ H. The taxation and revenue department shall
2 prescribe the form and content of the application and required
3 affidavit. The taxation and revenue department shall examine
4 the application and affidavit and, if necessary, may seek
5 additional information to ensure that the business or
6 contractor is eligible to receive the certificate pursuant to
7 the provisions of this section. If the taxation and revenue
8 department determines that an applicant is eligible, the
9 department shall issue a certificate pursuant to the provisions
10 of this section. If the taxation and revenue department
11 determines that the applicant is not eligible, the department
12 shall issue notification within thirty days. If no
13 notification is provided by the department, the certificate is
14 deemed approved. A certificate is valid for three years from
15 the date of its issuance; provided that if there is a change of
16 ownership of more than fifty percent, a resident business or
17 resident contractor shall reapply for a certificate.

18 ~~[E.]~~ I. A business or contractor whose application
19 for a certificate is denied has fifteen days from the date of
20 the taxation and revenue department's decision to file an
21 objection with the taxation and revenue department. The person
22 filing the objection shall submit evidence to support the
23 objection. The taxation and revenue department shall review
24 the evidence and issue a decision within fifteen days of the
25 filing of the objection.

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1 ~~[F.]~~ J. If, following a hearing and an opportunity
2 to be heard, the administrative hearings office finds that a
3 business or contractor provided false information to the
4 taxation and revenue department in order to obtain a
5 certificate or that a business or contractor used a certificate
6 to obtain a resident business or resident contractor preference
7 for a bid or proposal and the resident business or contractor
8 did not perform the percentage of the contract specified in the
9 bid or proposal, the business or contractor:

10 (1) is not eligible to receive a certificate
11 or a preference pursuant to Section 13-1-21 or 13-4-2 NMSA 1978
12 for a period of five years from the date on which the taxation
13 and revenue department became aware of the submission of the
14 false information or the failure to perform the contract as
15 specified in the bid or proposal; and

16 (2) is subject to an administrative penalty of
17 up to fifty thousand dollars (\$50,000) for each violation.

18 ~~[G.]~~ K. In a decision issued pursuant to Subsection
19 ~~[E or F]~~ I or J of this section, the taxation and revenue
20 department or the administrative hearings office shall state
21 the reasons for the action taken and inform an aggrieved
22 business or contractor of the right to judicial review of the
23 determination pursuant to the provisions of Section 39-3-1.1
24 NMSA 1978.

25 ~~[H.]~~ L. The taxation and revenue department may

1 assess a reasonable fee for the issuance of a certificate not
 2 to exceed the actual cost of administering the taxation and
 3 revenue department's duties pursuant to this section.

4 ~~[F.]~~ M. The state auditor may audit or review the
 5 issuance or validity of certificates.

6 ~~[J.]~~ N. For purposes of this section:

7 (1) "new business" means a person that did not
 8 exist as a business in any form and that has been in existence
 9 for less than three years;

10 (2) "new contractor" means a person that did
 11 not exist as a business in any form and that has been in
 12 existence for less than five years;

13 (3) "legacy contractor" means a construction
 14 business that has been licensed in this state for ten
 15 consecutive years; and

16 (4) "relocated business" means a business that
 17 moved eighty percent of its total domestic personnel from
 18 another state to New Mexico in the past five years."

19 **SECTION 3.** Section 13-4-2 NMSA 1978 (being Laws 1984,
 20 Chapter 66, Section 2, as amended) is amended to read:

21 "13-4-2. APPLICATION OF PREFERENCE.--

22 A. For the purposes of this section:

23 (1) "formal bid process" means a competitive
 24 sealed bid process;

25 (2) "formal request for proposals process"

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1 means a competitive sealed proposal process, including a
2 competitive sealed qualifications-based proposal process;

3 (3) "Native American resident contractor"
4 means a person that has a valid Native American resident
5 contractor certificate issued by the taxation and revenue
6 department pursuant to Section 13-1-22 NMSA 1978 but does not
7 include a Native American resident veteran contractor;

8 (4) "Native American resident veteran
9 contractor" means a person that has a valid Native American
10 resident veteran contractor certificate issued by the taxation
11 and revenue department pursuant to Section 13-1-22 NMSA 1978;

12 [~~3~~] (5) "public body" means a department,
13 commission, council, board, committee, institution, legislative
14 body, agency, government corporation, educational institution
15 or official of the executive, legislative or judicial branch of
16 the government of the state or a political subdivision of the
17 state and the agencies, instrumentalities and institutions
18 thereof, including two-year post-secondary educational
19 institutions, school districts, local school boards and all
20 municipalities, including home-rule municipalities;

21 [~~4~~] (6) "public works contract" means a
22 contract for construction, construction management,
23 architectural, landscape architectural, engineering, surveying
24 or interior design services;

25 [~~5~~] (7) "resident contractor" means a person

1 that has a valid resident contractor certificate issued by the
2 taxation and revenue department pursuant to Section 13-1-22
3 NMSA 1978 but does not include a resident veteran contractor;
4 and

5 ~~[(6)]~~ (8) "resident veteran contractor" means
6 a person that has a valid resident veteran contractor
7 certificate issued by the taxation and revenue department
8 pursuant to Section 13-1-22 NMSA 1978.

9 B. For the purpose of awarding a public works
10 contract using a formal bid process, a public body shall deem a
11 bid submitted by a:

12 (1) resident contractor or Native American
13 resident contractor to be ~~[five]~~ eight percent lower than the
14 bid actually submitted; or

15 (2) resident veteran contractor or Native
16 American resident veteran contractor with annual gross revenues
17 of up to ~~[three million dollars (\$3,000,000)]~~ six million
18 dollars (\$6,000,000) in the preceding tax year to be ten
19 percent lower than the bid actually submitted.

20 C. When a public body awards a contract using a
21 formal request for proposals process, not including contracts
22 awarded on a point-based system, the public body shall award an
23 additional:

24 (1) ~~[five]~~ eight percent of the total weight
25 of all the factors used in evaluating the proposals to a

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1 resident contractor or Native American resident contractor; or
2 (2) ten percent of the total weight of all the
3 factors used in evaluating the proposals to a resident veteran
4 contractor or Native American resident veteran contractor that
5 has annual gross revenues of up to [~~three million dollars~~
6 ~~(\$3,000,000)~~] six million dollars (\$6,000,000) in the preceding
7 tax year.

8 D. When a public body makes a purchase using a
9 formal request for proposals process, and the contract is
10 awarded based on a point-based system, the public body shall
11 award an additional of the equivalent of:

12 (1) [~~five~~] eight percent of the total possible
13 points to a resident contractor or Native American resident
14 contractor; or

15 (2) ten percent of the total possible points
16 to a resident veteran contractor or Native American resident
17 veteran contractor that has annual gross revenues of up to
18 [~~three million dollars (\$3,000,000)~~] six million dollars
19 (\$6,000,000) in the preceding tax year.

20 E. When a joint bid or joint proposal is submitted
21 by a combination of resident veteran, Native American resident
22 veteran, resident, Native American resident or nonresident
23 contractors, the preference provided pursuant to Subsection B,
24 C or D of this section shall be calculated in proportion to the
25 percentage of the contract, based on the dollar amount of the

1 goods or services provided under the contract, that will be
 2 performed by each contractor as specified in the joint bid or
 3 joint proposal.

4 F. ~~[A resident veteran contractor shall not benefit~~
 5 ~~from the preference pursuant to this section for more than ten~~
 6 ~~consecutive years. A person that is an owner of a business~~
 7 ~~that is a resident veteran contractor shall not benefit from~~
 8 ~~the preference pursuant to this section for more than ten~~
 9 ~~consecutive years]~~ A person shall not benefit from the
 10 provisions of this section based on more than one business
 11 concurrently.

12 G. A public body shall not award a contractor both
 13 a resident contractor preference and a resident veteran
 14 contractor preference or a Native American resident contractor
 15 preference and a Native American resident veteran contractor
 16 preference.

17 H. The procedures provided in Sections 13-1-172
 18 through 13-1-183 NMSA 1978 or in an applicable purchasing
 19 ordinance apply to a protest to a public body concerning the
 20 awarding of a contract in violation of this section."

21 SECTION 4. Section 62-16B-7 NMSA 1978 (being Laws 2021,
 22 Chapter 34, Section 7) is amended to read:

23 "62-16B-7. PUBLIC REGULATION COMMISSION--ENFORCEMENT AND
 24 RULEMAKING.--

25 A. The commission shall administer and enforce the

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underscored material = new
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1 rules and provisions of the Community Solar Act, including
2 regulation of subscriber organizations in accordance with the
3 Community Solar Act and oversight and review of the consumer
4 protections established for the community solar program.

5 B. The commission shall adopt rules to establish a
6 community solar program by no later than April 1, 2022. The
7 rules shall:

8 (1) provide an initial statewide capacity
9 program cap of two hundred megawatts alternating current
10 proportionally allocated to investor-owned utilities until
11 November 1, 2024. The statewide capacity program cap shall
12 exclude native community solar projects and rural electric
13 distribution cooperatives;

14 (2) establish an annual statewide capacity
15 program cap to be in effect after November 1, 2024;

16 (3) require thirty percent of electricity
17 produced from each community solar facility to be reserved for
18 low-income customers and low-income service organizations. The
19 commission shall issue guidelines to ensure the carve-out is
20 achieved each year and develop a list of low-income service
21 organizations and programs that may pre-qualify low-income
22 customers;

23 (4) establish a process for the selection of
24 community solar facility projects and allocation of the
25 statewide capacity program cap, consistent with Section 13-1-21

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1 NMSA 1978 regarding resident business, Native American resident
2 business, [~~and~~] resident veteran business and Native American
3 resident veteran business preferences;

4 (5) require a qualifying utility to file the
5 tariffs, agreement or forms necessary for implementation of the
6 community solar program;

7 (6) establish reasonable, uniform, efficient
8 and non-discriminatory standards, fees and processes for the
9 interconnection of community solar facilities that are
10 consistent with the commission's existing interconnection rules
11 and interconnection manual that allows a qualifying utility to
12 recover reasonable costs for administering the community solar
13 program and interconnection costs for each community solar
14 facility, such that a qualifying utility and its non-
15 subscribing customers do not subsidize the costs attributable
16 to the subscriber organization pursuant to this paragraph;

17 (7) provide consumer protections for
18 subscribers, including a uniform disclosure form that
19 identifies the information that shall be provided by a
20 subscriber organization to a potential subscriber, in both
21 English and Spanish, and when appropriate, native or indigenous
22 languages, to ensure fair disclosure of future costs and
23 benefits of subscriptions, key contract terms, security
24 interests and other relevant but reasonable information
25 pertaining to the subscription, as well as grievance and

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1 enforcement procedures;

2 (8) provide a community solar bill credit rate
3 mechanism for subscribers derived from the qualifying utility's
4 total aggregate retail rate on a per-customer-class basis, less
5 the commission-approved distribution cost components, and
6 identify all proposed rules, fees and charges; provided that
7 non-subscribers shall not subsidize costs attributable to
8 subscribers; and provided further that if the commission
9 determines that it is in the public interest for non-
10 subscribers to subsidize subscribers, non-subscribers shall not
11 be charged more than three percent of the non-subscribers'
12 aggregate retail rate on an annual basis to subsidize
13 subscribers;

14 (9) reasonably allow for the creation,
15 financing and accessibility of community solar facilities; and

16 (10) provide requirements for the siting and
17 co-location of community solar facilities with other energy
18 resources; provided that community solar facilities shall not
19 be co-located with other community solar facilities.

20 C. The commission may through rule establish a
21 reasonable application fee for subscriber organizations that is
22 designed to cover a portion of the administrative costs of the
23 commission in carrying out the community solar program.
24 Application fees collected by the commission shall be remitted
25 to the state treasurer no later than the day after their

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1 receipt.

2 D. The commission shall solicit input from relevant
3 state agencies, public utilities, low-income stakeholders,
4 disproportionately impacted communities, potential owners or
5 operators of community solar facilities, Indian nations, tribes
6 and pueblos and other interested parties in its rulemaking
7 process.

8 E. By no later than November 1, 2024, the
9 commission shall provide to the appropriate interim legislative
10 committee a report on the status of the community solar
11 program, including the development of community solar
12 facilities, the participation of investor-owned utilities and
13 rural electric distribution cooperatives, low-income
14 participation, the adequacy of facility size, proposals for
15 alternative rate structures and bill credit mechanisms, cross-
16 subsidization issues, local developer project selection and
17 expansion of the local solar industry, community solar
18 facilities' effect on utility compliance with the renewable
19 portfolio standard and an evaluation of the effectiveness of
20 the commission's rules to implement the Community Solar Act and
21 any recommended changes."

22 SECTION 5. EFFECTIVE DATE.--The effective date of the
23 provisions of this act is July 1, 2022.