

LFC Requester:	Julisa Rodriguez
-----------------------	-------------------------

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 2/27/2025 *Check all that apply:*
Bill Number: SM 16 Original Correction
 Amendment Substitute

Sponsor: Sens. Woods and Boone **Agency Name and Code** 430 – Public Regulation Commission
Short Title: Opposition to Eminent Domain for Transmission **Number:** _____
Person Writing Scott Cameron
Phone: (505)490-2696 **Email** jerri.mares@prc.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

SM 16 seeks to make a policy statement that the State strongly opposes the Southwestern Grid Connector National Interest Electric Transmission Corridor (“NIETC”) and the use of eminent domain to effect its purposes in Eastern New Mexico due to its anticipated negative impacts on farming, ranching, and small businesses. The Memorial further directs the senate to call on and urge policymakers, agencies, developers, lawmakers, and the New Mexico congressional delegation to avoid the use of eminent domain, work with impacted communities, and oppose and take action to prevent the use of eminent domain. Finally, the Memorial is to be transmitted to the United States Secretary of Energy, the New Mexico congressional delegation, and the governor.

FISCAL IMPLICATIONS

N/A

SIGNIFICANT ISSUES

NIETC designation does not confer any permits or authorizations to construct a transmission project, nor does designating an area as a NIETC result in any immediate transmission construction, use of eminent domain to acquire land, or impacts to existing land uses without further process.

NIETC designation also does not guarantee that a developer within a NIETC will either be eligible to apply for a federal permit nor that the developer will receive a federal permit.

Overall, the federal government’s authority to issue permits to grant eminent domain authority for transmission projects is limited. The Department of Energy does not have this authority. Siting and permitting authority for all transmission facilities, including those located in NIETCs, begins with state and local siting authorities. The Federal Energy Regulatory Commission (“FERC”) has authority to issue federal permits for transmission facilities located within NIETCs, under Section 216(b) of the Federal Power Act, though FERC’s authority is further limited to where a state does not have authority to site a transmission project or a state siting authority has not acted on an application to site a transmission project for over one year or has denied an application.

This means that transmission developers within a NIETC can only apply for a permit from FERC after state and/or local processes, and their ensuing public communication requirements have been initiated. Once a permit is granted, then a *court* must allow the exercise of eminent domain.

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

N/A

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

In some instances, within the context of SM 16, “Electric” is left out when referring to the NIETC.

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo

AMENDMENTS

N/A