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Contact: Ona Porter
Prosperity Works
505-228-7506

Technical Contact: Gabe Pacyniak
UNM Natural Resources and Environmental Law
Clinic
202-460-3820

Utility Affordability and Relief Act Introduced at New Mexico Legislative Session to Help Thousands Behind on Utility Bills

Santa Fe, NM – Representatives Kristina Ortez (D-42), Andrea Romero (D-46) and Joanne Ferrary (D-37) introduced legislation yesterday aimed at helping thousands of New Mexico families who have fallen behind on paying their utility bills during the COVID–19 pandemic.

House Bill 206 gives much-needed relief to New Mexicans impacted by COVID who have been unable to stay current on their electric, natural gas and water bills. The bill combines federal funding, philanthropic donations, reallocation of utility company fees and other sources to provide this arrears forgiveness to qualified customers who enter into up to 24-month payment plans with the utility. For each dollar paid by the customer, an additional dollar will be provided as a permanent credit on their account. There is also a hardship clause allowing additional assistance for New Mexicans who cannot afford to enter into a payment plan.

"New Mexicans are really hurting. Many are choosing between paying their utility bills and purchasing food, and that's not ok with me. Others can pay little or nothing and worry everyday about their growing debt. This legislation will provide those most impacted by COVID an opportunity to reduce their utility debt, reducing stress and freeing up funds for other basic necessities." said Representative Kristina Ortez (D-42).

The legislation also aims to help customers reduce energy bills in the future by directing utilities to enroll qualified customers in low-income energy efficiency programs as well as establishing an Energy Efficiency Development Block Grant program. The Block Grant Program, to be managed at the state level, would serve as a venue for future federal stimulus investments and other funds and allow local governments and tribes to apply for resources that support energy efficiency projects for low-income residents in their communities.

"Our state is currently experiencing a major public health crisis with more than 57,000 families facing disconnection from electricity and more than 43,000 families from losing their natural gas service," said Ona Porter, the Clean Energy Leader at Prosperity Works. "We see this legislation as absolutely critical during these challenging times, especially to help protect low-income New Mexicans in underserved communities who spend a high portion of their income on the essential commodities of water, gas and electricity."

Customers are presently protected by a payment moratorium, initiated by the New Mexico Public Regulation Commission. When that moratorium ends, this bill would provide payment

options and partial arrears forgiveness to qualified customers. The State of New Mexico recently used federal funding to provide \$5.3 million to provide \$300 one-time lump sum payments to utilities to help low-income customers behind on their bills. The collective amount of past due bills in New Mexico is estimated to be around \$45 million.

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Prosperity Works is a non-profit in Albuquerque that equips limited-income (LI) New Mexico households statewide with the social, financial, and personal assets that are essential to catalyze sustainable and equitable solutions for building strong, thriving communities.