

\$340 million climate measure clears committee

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A solar array at the Buckman Direct Diversion in March. Legislation that cleared the Senate Conservation Committee on Saturday would allocate \$20 million for local energy projects. Gabriela Campos/New Mexican file photo

The Senate Conservation Committee voted Saturday to recommend spending \$340 million on both statewide and local sustainable energy projects.

Those investments would come through a new “Community Benefit Fund,” proposed by Senate Bill 48, with Senate Bill 49 proposing the \$340 million in one-time allotments to be used between fiscal years 2026 and 2028.

Both bills are being sponsored by Senate President Pro Tempore Mimi Stewart, D-Albuquerque; both passed committee Saturday on 5-3 party-line votes.

Proposed investments include \$40 million for economic development not involving fossil fuels, prioritizing industries like aerospace, biosciences, agriculture and advanced manufacturing. The bill also proposes a \$100 million grant fund for large-scale electrical grid improvements and a \$20 million grant for local energy projects, including weatherization.

The bill also includes two provisions around transportation — \$60 million for electric vehicle charging infrastructure for school districts and to cover the cost difference between diesel and electric buses — and \$50 million to fund projects to reduce combustion engine vehicle usage, including improved pedestrian and bicycle infrastructure.

“Biking to reduce carbon footprint seems like a no brainer, but without safe passage to do so, driving is the only option,” said Lou Small, a student at Albuquerque Academy. “School buses are the perfect candidate for electrification because they run the same route every single day and they charge in the middle of the day.”

Jonathan Juárez with Youth United for Climate Change Action, or YUCCA, spoke in support of the bill, calling it a “just transition for New Mexico.”

The proposal also includes \$25 million for training programs in nonextractive industries unrelated to oil, gas, and mining.

“I am a part of an oil and gas family who needs me to bring in a second income,” said Nancy Ramirez, one of the many members of advocacy group Somos Un Pueblo Unido at Saturday’s hearing.

“We advocate and are in full support of the workforce development efforts in this bill for emerging energy industries,” she continued, adding a request rural communities not be overlooked in the energy transition.

In opposition to the bill, and the workforce redevelopment in particular, was Jim Winchester, executive director of the Independent Petroleum Association of New Mexico. Winchester called it “problematic” to make the workforce investment “at a time when oil and gas are our state’s top employer with very good, high-paying jobs.

“We encourage this committee to let the market dictate energy choices,” he added.

Bill Lee, president and CEO of Gallup-McKinley Chamber of Commerce, also spoke against the bill, citing the fund’s “likely upending” of the state’s general fund, which he said could violate the state constitution’s commitment to a balanced budget.

Republicans who opposed the bill echoed concerns about its impact on the state’s oil and gas industry.

“Do you consider it to be at all ironic that the entire \$350 million is dependent on the successful petroleum industry?” asked Sen. Larry Scott, R-Hobbs.

“We have plenty of other areas of the state where we get revenues,” Stewart replied. “What I find ironic is oil and gas standing up and saying, ‘We don’t want to help our communities with any money.’ ”

Scott described a scenario.

“A Hispanic oil and gas production worker walks into the kitchen, picks up his hard hat, sits down at the kitchen table, pours himself a cup of coffee, says to his wife, ‘Honey, I lost my job today — because we’re coming into full compliance with the Paris Climate Accords,’ ” Scott said.

“There’s nothing in these bills that stops us from moving forward with oil and gas,” Stewart replied. “We just want it to be a little cleaner. Apparently so do those companies,” she said, citing companies’ compliance with Gov. Michelle Lujan Grisham’s emissions reduction targets.