



# HB 37 Community Energy Efficiency Development Block Grant

**Summary:** Sponsored by Reps. Kristina Ortez, Debra Sariñana, and Patricia Roybal Caballero, HB 37 Community Energy Efficiency Dev. Block Grant (CEED) provides funding for local communities to reduce energy burdens on low-income residents, create jobs, and build capacity where it is most needed. It will provide block grants to local municipalities and Tribal governments through the Mortgage Finance Authority to make targeted energy efficiency improvements in underserved communities in partnership with local community organizations.

**History:** Senators Gerry Ortiz y Pino and Andrea Romero introduced similar legislation (SB 114) in the 2020 Legislative Session. SB 114 was passed in Senate Conservation and then died in Senate Finance.

## Why HB 37 Is Good for NM

- It complements existing federal, state, and utility efficiency programs and provides assistance to more New Mexicans who are living in poverty. Those low-income households spend a disproportionate portion of their already insufficient income on utilities:
  - According to Talk Poverty, 19.7% of New Mexican households live at the poverty level (\$24,860 for a family of four per year), and 27% of children live below the poverty line.
  - Census and federal energy data shows that energy expenditures reach 20-50 percent of household incomes in several parts of New Mexico, disproportionately hurting the poor.
  - The U.S. Department of Energy estimates that the typical household can save 25% on utility bills with energy efficiency measures, which amounts to over \$2,200 annually.
  - CEED investments would enable these households to reduce utility costs and free up scarce household income for things like food, clothing, and rent.
- HB 37 gives flexibility to local communities to determine what is needed most in their area. Each project can choose to focus on “low-hanging fruit” like replacing old, inefficient appliances, or to offer more comprehensive retrofits of residences.
- HB 37 is a needed addition to the federally and Investor-Owned Utility-funded programs which are a “one size fits all” approach that provides whole-house weatherization with cost-effectiveness restrictions.
- HB 37 starts a reporting process at the PRC to track how many people live without essential household services and begins a process to make utility services available and affordable for all low-income New Mexicans.
- HB 37 is the most efficient investment that can be made to address climate change. According to the American Council on Energy Efficiency:
  - Energy efficiency can get us halfway to U.S. climate goals, but we can’t get there without robust investments in energy-efficient appliances, buildings, vehicles, transit, and industrial plants.
  - Efficiency measures have proven to be the most cost-effective way to address climate change while reducing energy waste, saving money, and affordably expanding the use of renewable energy resources.

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