AN ACT
RELATING TO SPECIAL DISTRICTS; ESTABLISHING A TWO PERCENT LIMIT
FOR INCREASES IN ASSESSMENTS OR WATER SERVICE CHARGES IN A
GIVEN YEAR FOR A CONSERVANCY DISTRICT THAT WAS ESTABLISHED
PRIOR TO 1930 AND CONSISTING OF MORE THAN ONE HUNDRED THOUSAND
ACRES SITUATE IN FOUR OR MORE COUNTIES.

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

SECTION 1. Section 73-18-7.1 NMSA 1978 (being Laws 1993,
Chapter 270, Section 2) is amended to read:

"73-18-7.1. ASSESSMENT--MODIFICATION--CERTAIN
DISTRICTS.--Notwithstanding the provisions of Section 73-18-7
NMSA 1978 and in lieu thereof, the board of directors of any
conservancy district created prior to 1930 embracing land
situate in four or more counties and [having] consisting of
more than one hundred thousand acres shall determine and

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establish by resolution the annual assessments to be made from
eyear to year against real property within the district pursuant
to the reclassification of property adopted pursuant to Section
73-18-6.1 NMSA 1978. Such assessment may be modified in like
manner from time to time [but not more frequently than once in
every five years]; provided that an increase in an assessment
shall not exceed two percent of the immediately prior year's
assessment."

SECTION 2. Section 73-18-8.1 NMSA 1978 (being Laws 1993,
Chapter 270, Section 3) is amended to read:

"73-18-8.1. ASSESSMENTS--WATER SERVICE CHARGES--APPEALS--
CERTAIN DISTRICTS.--

A. Notwithstanding the provisions of Section
73-18-8 NMSA 1978 and in lieu [thereof] of those provisions,
the board of directors of any conservancy district created
prior to 1930 embracing land situate in four or more counties
and [having] consisting of more than one hundred thousand acres
shall convene on a date to be fixed by order of the board, but
not later than July 1 of each year, for the purpose of
estimating and determining the amount of funds required to meet
the obligation and needs of the district for the ensuing year,
together with such additional amounts as may be necessary to
meet any deficiency in the payment of expenses or obligations
previously incurred by the district and remaining due and
unpaid and an amount to cover the estimated delinquencies in
payments of assessments for the ensuing year.

B. In levying ad valorem assessments on benefited property, the board of the district shall set nonresidential assessments at least twenty-five percent higher than residential and agricultural assessments and any ad valorem assessments shall be levied against all benefited real property, including improvements.

C. In setting water service charges, the board of the district shall assess the charges on a per-acre basis on all irrigable acres as they appear on the records of the district for tracts or ratepayers for which water availability under contract occurs and shall set a minimum one-acre charge of at least twenty-eight dollars ($28.00) per acre, but not more than twenty-eight dollars ($28.00) per acre, during the first year, and may use the parity index or other cost-of-living index or measure to determine annual adjustments to the water service charges to reflect the increased costs of providing irrigation water; provided that an increase in water service charge shall not exceed two percent of the immediately prior year's water service charge. Any landowner seeking irrigation water for land not previously irrigated may request irrigation water and, upon a determination that the water is available and upon execution of a water use contract with the district prior to March 1 of the year in which the water is sought, the
landowner, upon payment of the water service charge, shall receive the irrigation water.

D. The board of directors shall then, by resolution, set the appropriate ad valorem assessments and water service charges [it the board determines necessary and appropriate to meet [such] the obligations and needs of the district.

E. In levying appropriate ad valorem assessments and water service charges, the board shall consider:

   (1) the degree to which the proposed revenue structure reflects the cost of providing service;

   (2) the administrative feasibility of the proposed revenue structure;

   (3) whether the proposed revenue structure promotes open space, green space or other environmentally beneficial activities; and

   (4) any other local economic or social impacts resulting from the proposed revenue structure.

F. The board shall sit as a board of equalization, subject to such reasonable rules as it may adopt, for the purpose of affording all owners of real property in the district subject to receiving a water service charge [and] an opportunity to appear and show why any given tract or parcel should be assessed differently. The board's decision with respect to [such] the protest shall be entered upon the
official minutes of the board and a copy of [such] the decision shall be sent to the protesting property owner by registered mail.

G. Any owner of real property aggrieved by the decision of the board sitting as a board of equalization may appeal to the district court of the second judicial district in the manner prescribed by Subsection D of Section 73-18-8 NMSA 1978. The filing of [such] an appeal shall be made within thirty days after receipt of the decision of the board sitting as a board of equalization. The filing of [such] an appeal shall not stay the proceedings relating to the collection of the assessment, but in the event the appellant has paid the assessment before rendition of the final judgment in the appeal suit and where [such] the judgment is in favor of the appellant, the appellant shall have refunded to [him] the appellant the sum of money as determined by the court, together with legal interest [thereon] on the sum and costs paid to the court.

H. Not later than September 1 each year, the secretary of the district shall deliver to the county assessor of each county embracing any part of the district a certified copy of the board's annual ad valorem assessment rate.

I. All ad valorem assessments and water service charges of the district constitute prior liens upon the real property on which they are levied as of the date of the action.
of the board fixing such assessments and charges and [such] the
liens shall be enforced in the same manner as assessments of
property taxes for state and county purposes are collected and
liens [thereof] are enforced."

SECTION 3. EFFECTIVE DATE.--The effective date of the
provisions of this act is July 1, 2021.

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