

HOUSE BILL 177

**56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024**

INTRODUCED BY

Meredith A. Dixon and Gail Armstrong and Pat Woods  
and Pete Campos and Susan K. Herrera

AN ACT

RELATING TO FINANCE; CREATING THE NEW MEXICO MATCH FUND; MAKING  
AN APPROPRIATION; DECLARING AN EMERGENCY.

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

SECTION 1. A new section of the Department of Finance and  
Administration Act is enacted to read:

"[NEW MATERIAL] NEW MEXICO MATCH FUND--CREATED--  
REPORTING.--

A. The "New Mexico match fund" is created as a  
nonreverting fund in the state treasury. The fund consists of  
distributions, appropriations, gifts, grants and donations.

B. The department shall administer the fund, and  
money in the fund is appropriated to the department for the  
purposes of the fund. The department may use money in the fund  
to:

.226770.2GLG

underscoring material = new  
[bracketed material] = delete

underscored material = new  
~~[bracketed material]~~ = delete

1 (1) make grants to an eligible entity:  
2 (a) for state matching funds for federal  
3 grants; and

4 (b) to offset higher project costs  
5 incurred to comply with federal requirements;

6 (2) make grants to an eligible entity that  
7 receives a grant pursuant to Subparagraph (a) of Paragraph (1)  
8 of this subsection to administer that grant; provided that a  
9 grant awarded pursuant to this paragraph shall not exceed five  
10 percent of the combined total amount of the federal grant and  
11 state matching funds awarded to the eligible entity; and

12 (3) administer the fund; provided that the  
13 department shall use no more than three percent of the  
14 appropriation amounts received in the fund for the  
15 administration of the fund.

16 C. An eligible entity shall request the full amount  
17 of the state matching funds required by the federal grant.

18 D. A grant for state matching funds made pursuant  
19 to this section shall be contingent on the award of the federal  
20 grant for which the state matching funds are sought.

21 E. An eligible entity that requests funding to  
22 offset higher project costs incurred to comply with federal  
23 requirements shall submit proof to the department of project  
24 cost estimates with and without federal compliance.

25 F. Money in the fund shall only be expended upon

.226770.2GLG

underscoring material = new  
~~[bracketed material]~~ = delete

1 review and approval of the department.

2 G. Disbursements from the fund shall be made by  
3 warrant of the secretary of finance and administration pursuant  
4 to vouchers signed by the secretary or the secretary's  
5 authorized representative.

6 H. The department shall report annually to the  
7 legislative finance committee and any other appropriate interim  
8 committee no later than October 1 of each year on grants made  
9 from the fund.

10 I. As used in this section:

11 (1) "department" means the department of  
12 finance and administration; and

13 (2) "eligible entity" means a county, city,  
14 town or village; a drainage, conservancy, irrigation, soil and  
15 water conservation, water or sanitation district; a mutual  
16 domestic water consumers association; a public water  
17 cooperative association; a community ditch association; a  
18 public post-secondary educational institution; the state of New  
19 Mexico or any of its branches, agencies, departments, boards,  
20 instrumentalities or institutions; any other political  
21 subdivision of the state; or a federally recognized Indian  
22 nation, tribe or pueblo, the boundaries of which are located  
23 wholly or partially in New Mexico."

24 SECTION 2. APPROPRIATION.--One hundred million dollars  
25 (\$100,000,000) is appropriated from the general fund to the New  
.226770.2GLG

underscored material = new  
~~[bracketed material] = delete~~

1 Mexico match fund for expenditure in fiscal year 2025 and  
2 subsequent fiscal years to provide grants pursuant to Section 1  
3 of this act. Any unexpended or unencumbered balance remaining  
4 at the end of a fiscal year shall not revert to the general  
5 fund.

6 SECTION 3. EMERGENCY.--It is necessary for the public  
7 peace, health and safety that this act take effect immediately.