

LFC Requester:	Davidson
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 3/3/2025 *Check all that apply:*
Bill Number: HB 427 Original Correction
 Amendment Substitute

Sponsor: Cadena **Agency Name and Code:** NMED
Short Title: Real-Time Water Quality Monitoring **Number:** 667
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SECTION II: FISCAL IMPACT

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$140.0	\$140.0	\$280.0	Recurring	GF

(Parenthesis () Indicate Expenditure Decreases)

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: House Bill 427 (HB427) amends the Water Project Finance Act to provide criteria for grant projects and loans for real-time water quality monitoring projects.

FISCAL IMPLICATIONS

HB427 advances public health and environmental protections by providing a significant amount of real time and remote monitoring data. An additional employee focused on data analytics, validation, and analysis – estimated to cost \$140,000 per year – would allow the New Mexico Environment Department (NMED) to integrate this data into more relevant decisions related to drinking water safety, water discharges, etc.

SIGNIFICANT ISSUES

HB427 seeks to provide funding for real-time water quality monitoring, which can provide valuable data for water system operations. Real-time monitors are most valuable to water system operators as a tool for quickly identifying changes in water quality or operational issues and responding if parameters move outside expected thresholds.

The bill requires real-time monitoring data be reported to NMED. This data is incredibly valuable for regulatory oversight and will enhance efforts related to protecting communities and deployment of resources for regulatory compliance activities. While compliance sampling using EPA-approved methods and certified laboratories will not be replaced with the passage of HB427, it may catalyze future rule changes to embrace real-time monitoring as a regulatory tool. HB427 is a proactive step toward this possible outcome.

PERFORMANCE IMPLICATIONS

If HB427 is enacted and real-time monitors are properly installed, maintained, and used effectively, more people would have immediate access to water quality and operational data. This real-time information allows operators to detect and respond to issues more quickly, reducing the likelihood of prolonged water quality problems or equipment failures.

With faster response times, water systems can prevent minor operational issues from escalating into full system failures. Proactively addressing water quality changes helps systems avoid regulatory violations by taking corrective action before noncompliance occurs. Over time, this could lead to fewer health-based issues and enforcement actions. Another benefit is of using real-time monitoring to track trends and identify potential issues early, water systems can strengthen day-to-day decision-making and improve overall operational efficiency.

ADMINISTRATIVE IMPLICATIONS

The bill does not appropriate funding to support related NMED staffing needs. Without additional resources, NMED will have to shift staff and funding from other program areas to manage and monitor the data.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None identified.

TECHNICAL ISSUES

With respect to record keeping and real-time water quality monitoring network amendments made within the House Agriculture, Acequias and Water Resources Committee, it may be prudent to require a set of rules and technical requirements for the construction and operation of water quality monitoring networks to be developed via an ad-hoc committee consisting of technical staff and experts from (1) New Mexico Environment Department; (2) Bureau of Geology and Mineral Resources; (3) Water Trust Board; and (4) representative(s) of one or more irrigation or conservancy district within the State of New Mexico. The rules, regulations and standards developed by this ad-hoc committee would allow a foundation for projects developed under this act to produce standardized and scientifically acceptable/valid data. These rules, requirements and standards could be codified in the New Mexico Administrative Code (NMAC).

OTHER SUBSTANTIVE ISSUES

None identified.

ALTERNATIVES

The USGS currently monitors and reports real time water quality data for a number of stations throughout the country - <https://waterwatch.usgs.gov/wqwatch/>. Additionally, New Mexico passed the Water Data Act in 2019 to identify and integrate key water data. In response, the Bureau of Geology and Mineral Resources has convened NMED and other state agencies to

build a modern, agile water data infrastructure to share, integrate and improve the management of water data. This includes data on water quality, quantity, and uses. The real time data gathered under projects allowed by HB427 may be more appropriate to share with the Bureau of Geology and Mineral Resources as part of the Water Data Initiative.

Due to the inability to use real time data for NMED's regulatory duties, amending HB427 to direct project funding recipients to report their data to the Bureau of Geology and Mineral Resources may be a way to more beneficially use that data at the state level.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If HB427 is not enacted, water systems in New Mexico will not have access to dedicated funding for real-time water quality monitoring equipment. As a result, many communities, particularly those with limited financial resources, may not be able to invest in these monitoring technologies. Without real-time data, operators may have fewer tools to detect and respond to water quality fluctuations or operational issues quickly, potentially increasing the risk of system failures or prolonged water quality problems.

Without real-time monitoring, water systems will continue to rely primarily on periodic sampling and laboratory testing for water quality assessments. While these methods meet compliance requirements, they may not provide the immediate feedback needed to identify developing issues before they escalate. This could result in delayed corrective actions, increased compliance violations, and a higher likelihood of enforcement actions from NMED.

Additionally, without a structured program to integrate real-time monitoring, the state may miss an opportunity to gather broader water quality data that could help identify trends, improve system operations, and support proactive decision-making at both the local and state levels. While real-time monitoring is not a regulatory requirement, its absence could limit the ability of some systems to optimize performance and respond efficiently to operational challenges.

AMENDMENTS