

HOUSE BILL 289

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

INTRODUCED BY

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AN ACT

RELATING TO GEOTHERMAL RESOURCES; AMENDING THE PROVISIONS OF
THE GEOTHERMAL PROJECTS DEVELOPMENT FUND; MAKING AN
APPROPRIATION.

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

SECTION 1. Section 71-9-12 NMSA 1978 (being Laws 2024,
Chapter 55, Section 4) is amended to read:

"71-9-12. GEOTHERMAL PROJECTS DEVELOPMENT FUND CREATED--
STUDY GRANTS--PROJECT GRANTS--ANNUAL REPORT.--

A. The "geothermal projects development fund" is
created in the state treasury. The fund consists of
appropriations, income from investment of the fund and any
other money distributed or otherwise allocated to the fund.
Balances in the fund at the end of any fiscal year shall not
revert to the general fund. The division shall administer the

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1 fund. Money in the fund is subject to appropriation by the
2 legislature.

3 B. Money in the geothermal projects development
4 fund may be used to make grants of up to two hundred fifty
5 thousand dollars (\$250,000) for the purposes of studying the
6 costs and benefits of a proposed geothermal development project
7 as approved by the secretary of energy, minerals and natural
8 resources.

9 C. Money in the geothermal projects development
10 fund may be used to provide grants for financing a geothermal
11 development project approved by the secretary of energy,
12 minerals and natural resources.

13 D. Except as provided in Subsection E of this
14 section, money in the geothermal projects development fund may
15 be used pursuant to Subsections B and C of this section only
16 for grants to a political subdivision of the state, ~~[or to]~~ a
17 state university or other entities that participate in a
18 competitive bidding process conducted in accordance with the
19 Procurement Code, for a geothermal development project.

20 E. Money in the geothermal projects development
21 fund may be used for grants to an Indian nation, tribe or
22 pueblo for the development of a geothermal development project
23 only if the grant application is approved by the secretary of
24 energy, minerals and natural resources.

25 F. Geothermal development projects approved for a

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1 grant by the secretary of energy, minerals and natural
2 resources under this section shall not be exempt from any
3 required permits or permissions under New Mexico or United
4 States law.

5 G. Money in the geothermal projects development
6 fund may be used for administrative and reimbursable costs
7 incurred by the energy, minerals and natural resources
8 department.

9 H. Disbursements from the geothermal projects
10 development fund shall be made by warrant of the secretary of
11 finance and administration pursuant to vouchers signed by the
12 secretary of energy, minerals and natural resources or the
13 secretary's authorized representative.

14 I. By December 1, 2024, and by December 1 of each
15 year thereafter, the secretary of energy, minerals and natural
16 resources shall provide a report to the governor, the
17 legislative finance committee and the library of the
18 legislative council service regarding:

19 (1) grants approved by the secretary pursuant
20 to Subsections B and C of this section;

21 (2) the status of studies funded in part by
22 grants made pursuant to Subsection B of this section;

23 (3) the status of projects funded in part by
24 grants made pursuant to Subsection C of this section;

25 (4) money used for administrative and

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1 reimbursable costs pursuant to Subsection G of this section;
2 and

3 (5) the status of the geothermal projects
4 development fund."

5 SECTION 2. APPROPRIATION.--Twenty million dollars
6 (\$20,000,000) is appropriated from the general fund to the
7 geothermal projects development fund for expenditure in fiscal
8 year 2026 and subsequent fiscal years. Any unexpended or
9 unencumbered balance remaining at the end of a fiscal year
10 shall not revert to the general fund.