## SENATE JUDICIARY COMMITTEE SUBSTITUTE FOR SENATE BILLS 21 & 22

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

AN ACT

RELATING TO THE ENVIRONMENT; ALPHABETIZING AND ADDING

DEFINITIONS TO THE WATER QUALITY ACT; PROVIDING FOR CERTAIN

WATER QUALITY CONTROL COMMISSION RULES RELATING TO THE

REGULATION OF WATER POLLUTION; CREATING THE NEGLECTED AND

CONTAMINATED SITES FUND; PROVIDING FOR GENERAL PERMIT COVERAGE

FOR MULTIPLE DISCHARGERS; REVISING THE WATER QUALITY MANAGEMENT

FUND AND DISTRIBUTION OF CERTAIN PENALTIES; ALLOWING FOR THE

DENIAL OF PERMITS THAT WOULD CONTRIBUTE TO WATER CONTAMINANT

LEVELS IN EXCESS OF DOWNSTREAM STATE OR TRIBAL WATER QUALITY

STANDARDS; AMENDING NOTICE REQUIREMENTS FOR WATER QUALITY ACT

PERMITS; PROVIDING FOR CERTAIN USES OF PERMIT FEES; AMENDING

THE PURPOSES OF THE WATER QUALITY MANAGEMENT FUND; CREATING

CERTAIN EXCEPTIONS FOR SURFACE WATER DISCHARGES; ADDRESSING

POTENTIAL LIABILITY; ENACTING THE NEW MEXICO POLLUTANT

DISCHARGE ELIMINATION SYSTEM ACT; REQUIRING PERMITS FOR

DISCHARGES INTO WATERS OF THE UNITED STATES; REQUIRING THE WATER QUALITY CONTROL COMMISSION TO ADOPT RULES TO IMPLEMENT THE DISCHARGE PROGRAM; PROVIDING POWERS AND DUTIES OF THE DEPARTMENT OF ENVIRONMENT; PROVIDING FOR ENFORCEMENT OF THE PROGRAM; PROVIDING PENALTIES; PROVIDING FOR APPEALS TO THE WATER QUALITY CONTROL COMMISSION AND THE COURT OF APPEALS; PROVIDING FOR PUBLICLY ACCESSIBLE RECORDS; DECLARING AN EMERGENCY.

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

**SECTION 1.** Section 74-6-2 NMSA 1978 (being Laws 1967, Chapter 190, Section 2, as amended) is amended to read:

"74-6-2. DEFINITIONS.--As used in the Water Quality Act:

[A. "gray water" means untreated household wastewater that has not come in contact with toilet waste and includes wastewater from bathtubs, showers, washbasins, clothes washing machines and laundry tubs, but does not include wastewater from kitchen sinks or dishwashers or laundry water from the washing of material soiled with human excreta, such as diapers;

B. "water contaminant" means any substance that could alter, if discharged or spilled, the physical, chemical, biological or radiological qualities of water. "Water contaminant" does not mean source, special nuclear or byproduct material as defined by the federal Atomic Energy Act of 1954; .230690.1

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C. "water pollution" means introducing or
permitting the introduction into water, either directly or
indirectly, of one or more water contaminants in such quantity
and of such duration as may with reasonable probability injure
human health, animal or plant life or property, or to
unreasonably interfere with the public welfare or the use of
<del>property;</del>

D. "wastes" means sewage, industrial wastes or any other liquid, gaseous or solid substance that may pollute any waters of the state;

E. "sewer system" means pipelines, conduits,

pumping stations, force mains or any other structures, devices,

appurtenances or facilities used for collecting or conducting

wastes to an ultimate point for treatment or disposal;

F. "treatment works" means any plant or other works
used for the purpose of treating, stabilizing or holding
wastes;

G. "sewerage system" means a system for disposing of wastes, either by surface or underground methods, and includes sewer systems, treatment works, disposal wells and other systems;

H. "water" means all water, including water
situated wholly or partly within or bordering upon the state,
whether surface or subsurface, public or private, except
private waters that do not combine with other surface or
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2	<del>I. "person" means an individual or any other</del>
3	entity, including partnerships, corporations, associations,
4	responsible business or association agents or officers, the
5	state or a political subdivision of the state or any agency,
6	department or instrumentality of the United States and any of
7	its officers, agents or employees;
8	A. "barrier" means a technical, including any log
9	reduction credits assigned, operational or managerial measure
10	to control microbial or chemical constituents;
11	$[rac{J_{ullet}}{J_{ullet}}]$ "commission" means the water quality
12	control commission;
13	$[K_{ullet}]$ C. "constituent agency" means, as the context
14	may require, any or all of the following agencies of the state:
15	(1) the department [ <del>of environment</del> ];
16	(2) the state engineer and the interstate
17	stream commission;
18	(3) the department of game and fish;
19	(4) the oil conservation commission;
20	(5) the state parks division of the energy,
21	minerals and natural resources department;
22	(6) the New Mexico department of agriculture;
23	(7) the soil and water conservation
24	commission; and
25	(8) the bureau of geology and mineral
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-	resources at the New Mexico institute of mining and technology;
2	[ <del>L. "new source" means:</del>
3	(1) any source, the construction of which is
4	commenced after the publication of proposed regulations
5	prescribing a standard of performance applicable to the source;
6	<del>or</del>
7	(2) any existing source when modified to treat
8	substantial additional volumes or when there is a substantial
9	change in the character of water contaminants treated;
10	M. "source" means a building, structure, facility
11	or installation from which there is or may be a discharge of
12	water contaminants directly or indirectly into water;
13	N. "septage" means the residual wastes and water
14	periodically pumped from a liquid waste treatment unit or from
15	a holding tank for maintenance or disposal purposes;
16	0. "sludge" means solid, semi-solid or liquid waste
17	generated from a municipal, commercial or industrial wastewater
18	treatment plant, water supply treatment plant or air pollution
19	control facility that is associated with the treatment of these
20	wastes. "Sludge" does not mean treated effluent from a
21	wastewater treatment plant;
22	P. "substantial adverse environmental impact" means
23	that an act or omission of the violator causes harm or damage:
24	<del>(1) to human beings; or</del>
25	(2) that amounts to more than ten thousand
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dollars (\$10,000) damage or mitigation costs to flora,
including agriculture crops; fish or other aquatic life;
waterfowl or other birds; livestock or wildlife or damage to
their habitats; ground water or surface water; or the lands of
the state;

Q. "federal act" means the Federal Water Pollution

Control Act, its subsequent amendment and successor provisions;

R. "standards of performance" means any standard,
effluent limitation or effluent standard adopted pursuant to
the federal act or the Water Quality Act; and

S. "produced water" means a fluid that is an incidental byproduct from drilling for or the production of oil and gas]

D. "compensatory mitigation" means the process of restoring, establishing, enhancing or preserving wetlands, streams or other aquatic resources to offset unavoidable adverse impacts that remain after appropriate and practicable avoidance and minimization measures have been achieved;

E. "department" means the department of
environment;

F. "facility" means all contiguous land and structures, other appurtenances and improvements on the land, including any building, installation, equipment, pipe or pipeline, including a pipe into a sewer or a publicly owned treatment works, a well, a pit, a pond, a lagoon, an .230690.1

impoundment, a ditch, a landfill, a storage container, a motor
vehicle, a rolling stock, an aircraft, a vessel or a
watercraft, or any site or area where a water contaminant has
been, is currently or is proposed to be managed, treated,
deposited, stored, disposed of or placed or has otherwise come
to be located;

- G. "federal act" means the Federal Water Pollution

  Control Act and its subsequent amendment and successor

  provisions;
- H. "general permit" means a permit that applies to one or more categories or subcategories of discharges, sludge use or disposal practices or facilities within a geographic area, including the state or a region, basin or watershed in the state;
- I. "general permit coverage" means authorization to discharge pursuant to a general permit and any additional permit conditions required by a constituent agency;
- J. "gray water" means untreated household
  wastewater that has not come in contact with toilet waste and
  includes wastewater from bathtubs, showers, washbasins, clothes
  washing machines and laundry tubs, but does not include
  wastewater from kitchen sinks or dishwashers or laundry water
  from the washing of material soiled with human excreta, such as
  diapers;
  - K. "new source" means:

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commenced af	ter the pu	blication o	f proposed	rules	prescribing	а
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standard of	performanc	e applicabl	e to the s	ource;	<u>or</u>	

- (2) an existing source when modified to treat substantial additional volumes or when there is a substantial change in the character of water contaminants treated;
- L. "pathogen" means a microorganism capable of causing illness in humans;
- M. "person" means an individual or other entity, including partnerships, corporations, associations, responsible business or association agents or officers, the state or a political subdivision of the state or an agency, a department or an instrumentality of the United States and any of its officers, agents or employees;
- N. "produced water" means a fluid that is an incidental byproduct from drilling for or the production of oil and gas;

## 0. "responsible party" means:

- (1) the owner and operator of a facility;
- (2) a person who, at the time of disposal of any water contaminant, owned or operated a facility at or from which such water contaminants were disposed;
- (3) a person who, by contract, agreement or otherwise, arranged for disposal or treatment, or arranged with a transporter for transport for disposal or treatment, of water .230690.1

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party	or	entity	and	cc	ntaining	sucl	ı wat	ter cont	amina	ant	is; a	and_

- (4) a person who accepts or accepted any water contaminants for transport to disposal or treatment facilities or sites selected by the person, from which there is a release, or a threatened release that causes the incurrence of response costs, of a water contaminant;
- P. "septage" means the residual wastes and water periodically pumped from a liquid waste treatment unit or holding tank for maintenance or disposal purposes;
- Q. "sewer system" means pipelines, conduits,
  pumping stations, force mains or other structures, devices,
  appurtenances or facilities used for collecting or conducting
  wastes to an ultimate point for treatment or disposal;
- R. "sewerage system" means a system for disposing of wastes, either by surface or underground methods, and includes sewer systems, treatment works, disposal wells and other systems;
- S. "sludge" means solid, semi-solid or liquid waste generated from a municipal, a commercial or an industrial wastewater treatment plant, a water supply treatment plant or an air pollution control facility that is associated with the treatment of these wastes. "Sludge" does not mean treated effluent from a wastewater treatment plant;

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water;												

- U. "standards of performance" means a standard, an effluent limitation or an effluent standard adopted pursuant to the federal act or the Water Quality Act;
- V. "substantial adverse environmental impact" means that an act or omission of the violator causes harm or damage:
  - (1) to human beings; or
- (2) that amounts to more than ten thousand dollars (\$10,000) in damage or mitigation costs to flora, including agriculture crops; fish or other aquatic life; waterfowl or other birds; livestock; or wildlife or damage to their habitats, ground water or surface water or the lands of the state;
- W. "treatment works" means a plant or other works used for the purpose of treating, stabilizing or holding wastes;
- X. "wastes" means sewage, industrial wastes or other liquid, gaseous or solid substances that may pollute the waters of the state;
- Y. "water" means all water, including water situated wholly or partly within or bordering upon the state, whether surface or subsurface, public or private, except .230690.1

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private waters that do not combine with other surface or subsurface water;

Z. "water contaminant" means a substance that could alter, if discharged or spilled, the physical, chemical, biological or radiological qualities of water. "Water contaminant" does not mean source, special nuclear or byproduct material as defined by the federal Atomic Energy Act of 1954; and

AA. "water pollution" means introducing or

permitting the introduction into water, either directly or

indirectly, of one or more water contaminants in a quantity and
duration as may with reasonable probability injure human
health, animal or plant life or property or to unreasonably
interfere with the public welfare or the use of property."

SECTION 2. Section 74-6-4 NMSA 1978 (being Laws 1967, Chapter 190, Section 4, as amended) is amended to read:

"74-6-4. DUTIES AND POWERS OF COMMISSION.--The commission:

- A. may accept and supervise the administration of loans and grants from the federal government and from other sources, public or private, which loans and grants shall not be expended for [other than the] purposes [for which] other than those provided;
- B. shall adopt a comprehensive water quality management program and develop a continuing planning process; .230690.1

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C. shall not adopt or promulgate a standard or [regulation] rule that exceeds a grant of rulemaking authority listed in the statutory section of the Water Quality Act authorizing the standard or [regulation] rule;

- D. shall adopt water quality standards for surface and ground waters of the state based on credible scientific data and other evidence appropriate under the Water Quality Act. The standards shall include narrative standards and, as appropriate, the designated uses of the waters and the water quality criteria necessary to protect such uses. The standards shall at a minimum protect the public health or welfare, enhance the quality of water and serve the purposes of the Water Quality Act. In making standards, the commission shall give weight it deems appropriate to all facts and circumstances, including the use and value of the water for water supplies, propagation of fish and wildlife, recreational purposes and agricultural, industrial and other purposes;
- E. shall adopt [promulgate and publish regulations] rules to prevent or abate water pollution in the state or in any specific geographic area, aquifer or watershed of the state or in any part thereof, or for any class of waters, and to govern the disposal of septage and sludge and the use of sludge for various beneficial purposes. The [regulations] rules governing the disposal of septage and sludge may include the use of tracking and permitting systems or other reasonable

means necessary to assure that septage and sludge are designated for disposal in, and arrive at, disposal facilities, other than facilities on the premises where the septage and sludge is generated, for which a permit or other authorization has been issued pursuant to the federal act or the Water Quality Act. [Regulations] Rules may specify a standard of performance for new sources that reflects the greatest reduction in the concentration of water contaminants that the commission determines to be achievable through application of the best available demonstrated control technology, processes, operating methods or other alternatives, including where practicable a standard permitting no discharge of pollutants;

F. in making [regulations, the commission] rules, shall give weight it deems appropriate to all relevant facts and circumstances, including:

- (1) the character and degree of injury to or interference with health, welfare, environment and property;
- (2) the public interest, including the social and economic value of the sources of water contaminants;
- (3) the technical practicability and economic reasonableness of reducing or eliminating water contaminants from the sources involved and previous experience with equipment and methods available to control the water contaminants involved:
- (4) the successive uses, including domestic,.230690.1

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commercial, industrial, pastoral, agricultural, wildlife and recreational uses:

- feasibility of a user or a subsequent user (5) treating the water before a subsequent use;
  - (6) property rights and accustomed uses; and
  - federal water quality requirements;

 $[F_{\bullet}]$  G. shall assign responsibility for administering its [regulations] rules to constituent agencies [so as] to assure adequate coverage and prevent duplication of effort. To this end, the commission may make such classification of waters and sources of water contaminants as will facilitate the assignment of administrative responsibilities to constituent agencies. The commission shall also hear and decide disputes between constituent agencies as to jurisdiction concerning [any] matters within the purpose of the Water Quality Act. In assigning responsibilities to constituent agencies, the commission shall give priority to the primary interests of the constituent agencies. The department [of environment] shall provide technical services, including certification of permits pursuant to the federal act, and shall maintain a repository of the scientific data required by the Water Quality Act;

[G.] H. may enter into or authorize constituent agencies to enter into agreements with the federal government or other state governments for purposes consistent with the

Water Quality Act and receive and allocate to constituent agencies funds made available to the commission;

[H.] I. may grant an individual variance from [any regulation] a rule of the commission whenever it is found that compliance with the [regulation] rule will impose an unreasonable burden upon any lawful business, occupation or activity. The commission may only grant a variance conditioned upon a person effecting a particular abatement of water pollution within a reasonable period of time. [Any] A variance shall be granted for the period of time specified by the commission. The commission shall adopt [regulations] rules specifying the procedure under which variances may be sought, which [regulations] rules shall provide for the holding of a public hearing before [any] a variance may be granted;

[H-] J. may adopt [regulations] rules to require the filing with [it] the commission or a constituent agency of proposed plans and specifications for the construction and operation of new sewer systems, treatment works or sewerage systems or extensions, modifications of or additions to new or existing sewer systems, treatment works or sewerage systems. Filing with and approval by the federal housing administration of plans for an extension to an existing or construction of a new sewerage system intended to serve a subdivision solely residential in nature shall be deemed compliance with all provisions of this subsection;

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[J.] K. may adopt [regulations] rules requiring

notice to [it] the commission or a constituent agency of intent

to introduce or allow the introduction of water contaminants

into waters of the state;

[K.] L. shall specify in [regulations] rules the measures to be taken to prevent water pollution and to monitor water quality. The commission may adopt [regulations] rules for particular industries. The commission shall adopt [regulations] rules for the dairy industry and the copper industry. The commission shall consider, in addition to the factors listed in Subsection [E]  $\underline{F}$  of this section, the best available scientific information. The [regulations] rules may include variations in requirements based on site-specific factors, such as depth and distance to ground water and geological and hydrological conditions. The constituent agency shall establish an advisory committee composed of persons with knowledge and expertise particular to the industry category and other interested stakeholders to advise the constituent agency on appropriate [regulations] rules to be proposed for adoption by the commission. The [regulations] rules shall be developed and adopted in accordance with a schedule approved by the commission. The schedule shall incorporate an opportunity for public input and stakeholder negotiations;

[ $\underline{\text{H.}}$ ]  $\underline{\text{M.}}$  may adopt [ $\underline{\text{regulations}}$ ]  $\underline{\text{rules}}$  establishing pretreatment standards that prohibit or control the .230690.1

introduction into publicly owned sewerage systems of water contaminants that are not susceptible to treatment by the treatment works or that would interfere with the operation of the treatment works;

[M.] N. shall not require a permit respecting the use of water in irrigated agriculture, except in the case of the employment of a specific practice in connection with [such] the irrigation that documentation or actual case history has shown to be hazardous to public health or the environment or for the use of produced water;

 $[N_{\bullet}]$   $0_{\bullet}$  shall not require a permit for applying less than two hundred fifty gallons per day of private residential gray water originating from a residence for the resident's household gardening, composting or landscape irrigation if:

- (1) a constructed gray water distribution system provides for overflow into the sewer system or on-site wastewater treatment and disposal system;
- (2) a gray water storage tank is covered to restrict access and to eliminate habitat for mosquitos or other vectors;
- (3) a gray water system is sited outside of a floodway;
- (4) gray water is vertically separated at least five feet above the ground water table; .230690.1

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2	identified as a nonpotable water conduit;
3	(6) gray water is used on the site where it is
4	generated and does not run off the property lines;
5	(7) gray water is applied in a manner that
6	minimizes the potential for contact with people or domestic
7	pets;
8	(8) ponding is prohibited, application of gray
9	water is managed to minimize standing water on the surface and
10	to ensure that the hydraulic capacity of the soil is not
11	exceeded;
12	(9) gray water is not sprayed;
13	(10) gray water is not discharged to a
14	watercourse; and
15	(ll) gray water use within municipalities or
16	counties complies with all applicable municipal or county
17	ordinances enacted pursuant to Chapter 3, Article 53 NMSA 1978;
18	$[\theta_{\bullet}]$ P. shall coordinate application procedures and
19	funding cycles for loans and grants from the federal
20	government and from other sources, public or private, with
21	the local government division of the department of finance
22	and administration pursuant to the New Mexico Community
23	Assistance Act;
24	[P.] Q. shall adopt [regulations] rules to be
25	administered by the department [of environment] for the

(5) gray water pressure piping is clearly

discharge, handling, transport, storage, recycling or treatment for the disposition of treated produced water, including disposition in road construction maintenance, roadway ice or dust control or other construction, or in the application of treated produced water to land, for activities unrelated to the exploration, drilling, production, treatment or refinement of oil or gas; [and]

Q. may R. shall adopt [regulations] rules to be administered by the department [of environment] for surface water discharges, including discharges of dredged or fill materials. For discharges of dredged or fill material, the rules shall include avoidance and minimization of adverse impacts to wetlands, streams and other aquatic resources and may require compensatory mitigation for unavoidable adverse impacts that remain after appropriate and practicable avoidance and minimization measures have been achieved;

S. may adopt rules to be administered by the

department for the state to respond to, investigate and

remediate water pollution and contamination in soil and soil

vapor for the protection of human health and the environment;

and

T. shall adopt rules to be administered by the department to govern the transfer and use of treated domestic wastewater for potable reuse. The rules may specify a standard of performance, including log reduction for pathogen removal, .230690.1

critical control points, barriers and the greatest reduction in the concentration of water contaminants and pathogens that the commission determines to be achievable through application of the best available demonstrated control technology, processes, operating methods or other alternatives, including, where practicable, a standard permitting no risk to human health.

The rules governing the potable reuse of domestic wastewater may include the use of existing permitting systems or create new permitting rules that include the means necessary to assure that potable reuse projects are conducted in a manner that is directly protective of human health."

SECTION 3. Section 74-6-5 NMSA 1978 (being Laws 1973, Chapter 326, Section 4, as amended) is amended to read:

"74-6-5. PERMITS--CERTIFICATION--APPEALS TO COMMISSION.--

- A. By [regulation] rule, the commission may require [persons] a person to obtain from a constituent agency designated by the commission a permit or general permit coverage for the discharge of [any] a water contaminant or for the disposal or reuse of septage or sludge.
- B. The commission shall adopt [ $\frac{regulations}{rules}$ ] rules establishing procedures for certifying federal water quality permits.
- C. Prior to the issuance of a permit <u>or approval of general permit coverage</u>, the constituent agency may require the submission of plans, specifications and other relevant

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information that it deems necessary.

- The commission shall by [regulation] rule set the dates upon which applications for permits shall be filed and designate the time periods within which the constituent agency shall, after the filing of an administratively complete application for a permit, either grant the permit, grant the permit subject to conditions or deny the permit. constituent agency has the burden of showing that each condition is reasonable and necessary to ensure compliance with the Water Quality Act and applicable [regulations] rules, considering site-specific conditions. After [regulations] rules have been adopted for a particular industry, permits for facilities in that industry shall be subject to conditions contained in the [regulations] rules. Additional conditions on a final permit may be imposed if the applicant is provided with an opportunity to review and provide comments in writing on the draft permit conditions and to receive a written explanation of the reasons for the conditions from the constituent agency.
- E. The constituent agency shall deny [any] an application for a permit or request for general permit coverage or deny the certification of a federal water quality permit if:
- (1) the effluent would not meet applicable state or federal effluent regulations, standards of performance or limitations:
- (2)  $[\frac{any}{a}]$  <u>a</u> provision of the Water Quality Act .230690.1

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the discharge would cause or contribute to (3) water contaminant levels in excess of [any] <u>a</u> state or federal standard. Determination of the discharge's effect on ground water shall be measured at [any] a place of withdrawal of water for present or reasonably foreseeable future use.

Determination of the discharge's effect on surface waters shall be measured at the point of discharge; [or]

(4) the surface water discharge would cause or contribute to water contaminant levels in excess of a downstream state or tribal water quality standard; or

 $[\frac{(4)}{(5)}]$  the applicant has, within the ten years immediately preceding the date of submission of the permit application or request for general permit coverage:

- (a) knowingly misrepresented a material fact in an application for a permit or request for general permit coverage;
- (b) refused or failed to disclose [any] information required [under] pursuant to the Water Quality Act;
- (c) been convicted of a felony or other crime involving moral turpitude;
- (d) been convicted of a felony in [any] court for [any] a crime defined by state or federal law as being a restraint of trade, price-fixing, bribery or fraud;
  - (e) exhibited a history of willful

1	disregard for environmental laws of [ $rac{any}{}$ ] $rac{a}{}$ state or the United
2	States; or
3	(f) had an environmental permit revoked
4	or permanently suspended for cause under [any] environmental
5	laws of $[any]$ <u>a</u> state or the United States.
6	[F. The commission shall by regulation develop
7	procedures that ensure that the public, affected governmental
8	agencies and any other state whose water may be affected shall
9	receive notice of each application for issuance, renewal or
10	modification of a permit. Public notice shall include:
11	(1) for issuance or modification of a permit:
12	(a) notice by mail to adjacent and nearby
13	landowners; local, state and federal governments, land grant
14	organizations, ditch associations and Indian nations, tribes or
15	<del>pueblos;</del>
16	(b) posting at a place conspicuous to
17	the public and near the discharge or proposed discharge site;
18	<del>and</del>
19	<del>(c) a display advertisement in English</del>
20	and Spanish in a newspaper of general circulation in the
21	location of the discharge or proposed discharge; provided,
22	however, that the advertisement shall not be displayed in the
23	classified or legal advertisement sections; and
24	(2) for issuance of renewals of permits:
25	(a) notice by mail to the interested
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13	permit or a renewal
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15	modifications:
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17	landowners using po
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19	<u>federal</u> government
20	associations and In
21	postal or electroni
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23	conspicuous to the
24	discharge site;
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public, municipalities, counties, land grant organizations,
ditch associations and Indian nations, tribes or pueblos; and
(b) a display advertisement in English
and Spanish in a newspaper of general circulation in the
location of the discharge; provided, however, that the
advertisement shall not be displayed in the classified or legal
advertisement sections.]
F. For ground water discharge permits, the

commission shall by rule develop procedures that ensure that the public and affected governmental agencies, Indian nations, tribes and pueblos and other states shall receive notice of each application and draft of a new permit, a modification of a permit or a renewal of a permit. Public notice shall include:

(1) for issuance of new permits or permit

(a) notice to adjacent and nearby andowners using postal or electronic mail;

(b) notice to affected local, state and federal government agencies, land grant organizations, ditch associations and Indian nations, tribes and pueblos using postal or electronic mail;

(c) posting the notice at a place

conspicuous to the public and near the discharge or proposed

discharge site;

(d) a display advertisement in English

1	and Spanish in a newspaper of general circulation in the
2	location of the discharge or proposed discharge site; provided
3	however, that the advertisement shall not be displayed in the
4	classified or legal advertisement sections; and
5	(e) consideration of the languages
6	spoken by and the communication methods accessible to the
7	intended recipients of the public notice; and
8	(2) for permit renewals:
9	(a) notice by postal or electronic mail
10	to the interested public;
11	(b) notice to affected local, state and
12	federal government agencies, land grant organizations, ditch
13	associations and Indian nations, tribes and pueblos;
14	(c) a display advertisement in English
15	and Spanish in a newspaper of general circulation in the
16	location of the discharge site; provided, however, that the
17	advertisement shall not be displayed in the classified or legal
18	advertisement sections; and
19	(d) consideration of the languages
20	spoken by and the communication methods accessible to the
21	intended recipients of the public notice.
22	G. For surface water permits, the commission shall
23	by rule develop procedures that ensure that the public and
24	affected governmental agencies, Indian nations, tribes and
25	pueblos and other states shall receive notice of each draft
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1	permit. Public notice shall include the following, except that
2	for a general permit, Paragraphs (1) and (3) of this subsection
3	shall not be required:
4	(1) notice to adjacent and nearby landowners
5	using postal or electronic mail;
6	(2) notice to affected local, state and
7	federal government agencies, land grant organizations, ditch
8	associations and Indian nations, tribes and pueblos using
9	postal or electronic mail;
10	(3) for new surface water permits or permit
11	modifications, posting at a place conspicuous to the public and
12	near the discharge or proposed discharge site;
13	(4) notice to the general public and others
14	whom the commission deems appropriate using one or more
15	reasonable and appropriate methods, such as electronic mail to
16	persons who have requested notification, social media posts,
17	radio announcements or advertisements in a newspaper of general
18	circulation in the location of the discharge or proposed
19	discharge site; and
20	(5) consideration of the languages spoken by
21	and the communication methods accessible to the intended
22	recipients of the public notice.
23	$[G.]$ $\underline{H.}$ No ruling shall be made on $[any application]$
24	for] a draft permit without opportunity for a public hearing at
25	which all interested persons shall be given a reasonable chance

to submit evidence, data, views or arguments orally or in writing and to examine witnesses testifying at the hearing. The hearing shall be recorded. [Any]  $\underline{A}$  person submitting evidence, data, views or arguments shall be subject to examination at the hearing.

[H.] I. The commission may adopt [regulations] rules for the operation and maintenance of the permitted facility, including requirements, as may be necessary or desirable, that relate to continuity of operation, personnel training and financial responsibility, including financial responsibility for corrective action.

- [Hot to exceed] of five years, except that surface water

  permits may be issued for fixed terms of up to ten years. For new discharges, the term of the permit shall commence on the date the discharge begins, but in no event shall the term of the permit exceed seven years from the date the permit was issued.
- $[J_{ullet}]$  K. By [regulation] rule, the commission may impose reasonable conditions upon permits requiring permittees to:
- (1) install, use and maintain [effluent]
  monitoring devices;
- (2) sample effluents and receiving waters for any known or suspected water contaminants in accordance with .230690.1

methods and at locations and intervals as may be prescribed by
the commission;

- (3) establish and maintain records of the nature and amounts of effluents and the performance of effluent control devices;
- (4) provide [any] other information relating to the discharge or direct or indirect release of water contaminants; and
- (5) notify a constituent agency of the introduction of new water contaminants from a new source and of a substantial change in volume or character of water contaminants being introduced from sources in existence at the time of the issuance of the permit.

[K.] L. The commission shall provide by

[regulation] rule a schedule of fees for permits [not exceeding the estimated cost of investigation and issuance, modification and renewal of permits. Fees] and approvals of general permit coverage to support the cost of developing and implementing the permitting rules authorized pursuant to Section 74-6-4 NMSA 1978, including the review of applications, issuance and enforcement of permits and rules, compliance assistance, monitoring and inspection of facilities and discharges, data stewardship, records management and administrative and legal costs. Unless otherwise required by law, money collected pursuant to this section shall be deposited in the water .230690.1

1 quality management fund.

[L.] M. The issuance of a permit or approval of a general permit coverage does not relieve [any] a person from the responsibility of complying with the provisions of the Water Quality Act, any applicable [regulations] rules or water quality standards of the commission or any applicable federal laws, regulations or standards.

[M.] N. A permit or general permit coverage may be terminated or modified by the constituent agency that issued the permit or approved the general permit coverage prior to its date of expiration for any of the following causes:

- (1) violation of [any] <u>a</u> condition of the permit;
- (2) obtaining the permit or general permit coverage by misrepresentation or failure to disclose fully all relevant facts;
- (3) violation of [any] the provisions of the Water Quality Act or any applicable [regulations] rules, standard of performance or water quality standards;
- (4) violation of [any] applicable state or federal effluent regulations or limitations; or
- (5) change in  $[\frac{any}{a}]$  a condition that requires either a temporary or permanent reduction or elimination of the permitted discharge.
- [N.] 0. If the constituent agency denies, .230690.1

terminates or modifies a permit <u>or general permit coverage</u> or grants a permit subject to condition, the constituent agency shall notify the applicant or permittee by certified mail <u>or other method acceptable to the applicant or permittee</u> of the action taken and the reasons. Notice shall also be given by <u>postal or electronic</u> mail to persons who participated in the permitting action.

[0.] P. A person who participated in a permitting action before a constituent agency or a person affected by a certification of a federal permit and who is adversely affected by [such] the permitting action or certification may file a petition for review before the commission. Unless a timely petition for review is made, the decision of the constituent agency shall be final and not subject to judicial review. The petition shall:

- (1) be made in writing to the commission within thirty days from the date notice is given of the constituent agency's action;
- (2) include a statement of the issues to be raised and the relief sought; and
- (3) be provided to all other persons submitting evidence, data, views or arguments in the proceeding before the constituent agency.
- $[P \cdot]$  Q. If a timely petition for review is made, the commission shall consider the petition within ninety days .230690.1

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after receipt of the petition. The commission shall notify the petitioner and the applicant or permittee, if other than the petitioner, by certified mail of the date, time and place of the review. If the petitioner is not the applicant or permittee, the applicant or permittee shall be a party to the proceeding. The commission shall ensure that the public receives notice of the date, time and place of the review.

 $[Q_{\bullet}]$  R. The commission shall review the record compiled before the constituent agency, including the transcript of [any] a public hearing held on the application or draft permit, and shall allow any party to submit arguments. The commission may designate a hearing officer to review the record and the arguments of the parties and recommend a decision to the commission. The commission shall consider and weigh only the evidence contained in the record before the constituent agency and the recommended decision of the hearing officer, if any, and shall not be bound by the factual findings or legal conclusions of the constituent agency. Based on the review of the evidence, the arguments of the parties and recommendations of the hearing officer, the commission shall sustain, modify or reverse the action of the constituent The commission shall enter ultimate findings of fact and conclusions of law and keep a record of the review.

[R.] S. Prior to the date set for review, if a party shows to the satisfaction of the commission that there .230690.1

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was no reasonable opportunity to submit comment or evidence on
an issue being challenged, the commission shall order that
additional comment or evidence be taken by the constituent
agency. Based on the additional evidence, the constituent
agency may revise the decision and shall promptly file with the
commission the additional evidence received and action taken.
The commission shall consider the additional evidence within
ninety days after receipt of the additional evidence and shall
notify the petitioner and the applicant or permittee, if other
than the petitioner, of the date, time and place of the review.

[S.] T. The commission shall notify the petitioner and all other participants in the review proceeding of the action taken by the commission and the reasons for that action.

U. Except as provided in Subsection V of this section, the only exemptions for surface water permits are:

(1) normal farming, silviculture and ranching activities, such as plowing, seeding, cultivating, minor drainage, harvesting for the production of food, fiber and forest products or upland soil and water conservation practices;

(2) construction or maintenance of farm or stock ponds, acequias or irrigation ditches or the maintenance of drainage ditches;

(3) construction or maintenance of farm roads or forest roads or temporary roads for moving mining equipment, .230690.1

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where such roads are constructed and maintained, in accordance
with best management practices, to assure that flow and
circulation patterns and chemical and biological
characteristics of the surface waters are not impaired, that
the reach of the surface waters is not reduced and that any
adverse effect on the aquatic environment will be otherwise
minimized:

(4) maintenance, including emergency reconstruction of recently damaged parts, of currently serviceable structures, such as dikes, dams, levees, groins, riprap, breakwaters, causeways and bridge abutments or approaches, and transportation structures;

(5) construction of temporary sedimentation basins on a construction site that does not include placement of fill material into the surface waters;

(6) return flows composed entirely from irrigated agriculture;

(7) stormwater runoff from a mining operation or an oil and gas exploration, production, processing or treatment operation or transmission facility that is composed entirely of flows that are from conveyances or systems of conveyances, including pipes, conduits, ditches and channels, used for collecting and conveying precipitation runoff and that are not contaminated by contact with, or do not come into contact with, any overburden, raw material, intermediate .230690.1

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on the site of the operation or facility. Oil and gas
exploration, production, processing or treatment operations or
transmission facilities include activities necessary to prepare
a site for drilling and for the movement and placement of
drilling equipment, whether or not the field activities or
operations may be considered to be construction activities;

(8) runoff resulting from the following
silviculture activities conducted in accordance with standard

products, finished product, byproduct or waste product located

silviculture activities conducted in accordance with standard industry practice: nursery operations, site preparation, reforestation and subsequent cultural treatment, thinning, prescribed burning, pest and fire control, harvesting operations, surface drainage or road construction and maintenance; and

(9) discharges of dredged or fill material into waters of the United States that are regulated under Section 404 of the federal Clean Water Act.

V. The exemptions provided in Subsection U of this section shall not apply if the discharge resulting from the activities contains any toxic pollutant as set forth in rule by the commission or if a new activity brings a surface water of the state into farm production where the area of the surface water has not previously been used for farming."

SECTION 4. Section 74-6-5.2 NMSA 1978 (being Laws 1993, Chapter 100, Section 4) is amended to read:
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is created <u>as a nonreverting fund</u> in the state treasury the
"water quality management fund" to be administered by the
department [of environment. All fees]. The fund consists of
appropriations, gifts, grants, donations and money received by
the department. Unless otherwise required by law, money
collected pursuant to [the regulations adopted by the
commission under Subsection II of Section 74-6-5 NMSA 1978]
Section 74-6-4 NMSA 1978 and for the operation and maintenance
of a permitted facility pursuant to Subsection H of Section
$\underline{74\text{-}6\text{-}5}$ NMSA $\underline{1978}$ shall be deposited in the fund. Money in the
fund is appropriated to the department [of environment] for the
purpose of administering the [regulations] rules adopted by the
commission pursuant to [Sections 74-6-4 and 74-6-5
NMSA 1978. Disbursements from the fund shall be made upon
warrants drawn by the secretary of finance and administration
pursuant to vouchers signed by the secretary of environment."
SECTION 5 Section 74-6-9 NMSA 1978 (heing laws 1967

"74-6-5.2. WATER QUALITY MANAGEMENT FUND CREATED.--There

"74-6-9. POWERS OF CONSTITUENT AGENCIES.--Each constituent agency may:

Chapter 190, Section 8, as amended) is amended to read:

A. receive and expend funds appropriated, donated or allocated to the constituent agency for purposes consistent with the Water Quality Act;

B. develop facts and make studies and .230690.1

investigations and require the production of documents necessary to carry out the responsibilities assigned to the constituent agency. The result of any investigation shall be reduced to writing and a copy furnished to the commission and to the owner or occupant of the premises investigated;

- C. report to the commission and to other constituent agencies water pollution conditions that are believed to require action where the circumstances are such that the responsibility appears to be outside the responsibility assigned to the agency making the report;
- D. respond to, investigate and remediate water pollution and contamination in soil and soil vapor;
- $[rac{D_{ullet}}{D_{ullet}}]$  make every reasonable effort to obtain voluntary cooperation in the prevention or abatement of water pollution;
- [E.] F. upon presentation of proper credentials, enter at reasonable times upon or through any premises in which a water contaminant source is located or in which are located any records required to be maintained by regulations of the federal government or the commission; provided that entry into any private residence without the permission of the owner shall be only by order of the district court for the county in which the residence is located and that, in connection with any entry provided for in this subsection, the constituent agency may:
- (1) have access to and reproduce for [their]
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its use any copy of the records;

- (2) inspect any treatment works, monitoring equipment or methods required to be installed by regulations of the federal government or the commission; and
- (3) sample any effluents, water contaminant or receiving waters;
- $[F_{ullet}]$  G. on the same basis as any other person, recommend and propose regulations and standards for promulgation by the commission; and
- [G.] H. on the same basis as any other person, present data, views or arguments and examine witnesses and otherwise participate at all hearings conducted by the commission or any other administrative agency with responsibility in the areas of environmental management, public health or consumer protection, but shall not be given any special status over any other party; provided that the participation by a constituent agency in a hearing shall not require the recusal or disqualification of the commissioner representing that constituent agency."
- SECTION 6. Section 74-6-10 NMSA 1978 (being Laws 1967, Chapter 190, Section 9, as amended) is amended to read:
- "74-6-10. PENALTIES ENFORCEMENT--COMPLIANCE ORDERS-PENALTIES--ASSURANCE OF DISCONTINUANCE.--
- A. Whenever, on the basis of any information, a constituent agency determines that a person violated or is .230690.1

violating a requirement, regulation or water quality standard adopted pursuant to the Water Quality Act or a condition of a permit issued pursuant to that act, the constituent agency may:

- (1) issue a compliance order requiring compliance immediately or within a specified time period or issue a compliance order assessing a civil penalty, or both; or
- (2) commence a civil action in district court for appropriate relief, including injunctive relief.
- B. A compliance order issued pursuant to Paragraph
  (1) of Subsection A of this section may include a suspension or
  termination of the permit allegedly violated.
- C. A compliance order shall state with reasonable specificity the nature of the violation. Any penalty assessed in the compliance order shall not exceed:
- (1) fifteen thousand dollars (\$15,000) per day of noncompliance with the provisions in Section 74-6-5 NMSA 1978, including a regulation adopted or a permit issued pursuant to that section; or
- (2) ten thousand dollars (\$10,000) per day for each violation of a provision of the Water Quality Act other than the provisions in Section 74-6-5 NMSA 1978 or of a regulation or water quality standard adopted pursuant to the Water Quality Act.
- D. In assessing a penalty authorized by this section, the constituent agency shall take into account the .230690.1

seriousness of the violation, any good faith efforts to comply with the applicable requirements and other relevant factors.

- E. For purposes of this section, a single operational event that leads to simultaneous violations of more than one standard shall be treated as a single violation.
- F. If a person fails to take corrective actions within the time specified in a compliance order, the constituent agency may:
- (1) assess a civil penalty of not more than twenty-five thousand dollars (\$25,000) for each day of continued noncompliance with the compliance order; and
- $\hbox{(2)} \quad \hbox{suspend or terminate the permit violated} \\$  by the person.
- G. [Any]  $\underline{A}$  compliance order issued by a constituent agency pursuant to this section shall become final unless, no later than thirty days after the compliance order is served, [any]  $\underline{a}$  person named in the compliance order submits a written request to the commission for a public hearing. The commission shall conduct a public hearing within ninety days after receipt of a request.
- H. The commission may appoint an independent hearing officer to preside over [any]  $\underline{a}$  public hearing held pursuant to Subsection [F]  $\underline{G}$  of this section. The hearing officer shall:
- (1) make and preserve a complete record of the.230690.1

proceedings; and

- (2) forward to the commission a report that includes recommendations if recommendations are requested by the commission.
- I. The commission shall consider the findings of the independent hearing officer, and based on the evidence presented at the hearing, the commission shall make a final decision regarding the compliance order.
- J. In connection with any proceeding [under] provided for in this section, the commission may:
  - (1) adopt rules for discovery procedures; and
- (2) issue subpoenas for the attendance and testimony of witnesses and for relevant papers, books and documents.
- K. [Penalties] Unless otherwise required by law, money collected pursuant to this section for surface waters shall be deposited in the [general] water quality management fund. Unless otherwise required by law, money collected pursuant to this section for ground waters, other than the provisions in Section 74-6-5 NMSA 1978, shall be deposited in the neglected and contaminated sites fund.
- L. As an additional means of enforcing the Water Quality Act or any regulation or standard of the commission, the commission may accept an assurance of discontinuance of any act or practice deemed in violation of the Water Quality Act, .230690.1

or any regulation or standard adopted pursuant to that act, from any person engaging in, or who has engaged in, such act or practice, signed and acknowledged by the [chairman] chair of the commission and the party affected. Any such assurance shall specify a time limit during which the discontinuance is to be accomplished."

SECTION 7. Section 74-6-12 NMSA 1978 (being Laws 1967, Chapter 190, Section 11, as amended) is amended to read:

## "74-6-12. LIMITATIONS.--

- A. The Water Quality Act does not grant to the commission or to any other entity the power to take away or modify the property rights in water, nor is it the intention of the Water Quality Act to take away or modify such rights.
- B. The Water Quality Act does not apply to [any] an activity or condition subject to the authority of the environmental improvement board pursuant to the Hazardous Waste Act, the Ground Water Protection Act or the Solid Waste Act except to abate water pollution or to control the disposal or use of septage and sludge.
- C. The Water Quality Act does not authorize the commission to adopt [any regulation] a rule with respect to [any] a condition or quality of water if the water pollution and its effects are confined entirely within the boundaries of property within which the water pollution occurs when the water does not combine with other waters.

D. The Water Quality Act does not grant to the commission any jurisdiction or authority affecting the relation between employers and employees with respect to or arising out of [any] a condition [of water] or quality of water.

- E. The Water Quality Act does not supersede or limit the applicability of  $[\frac{any}{a}]$  a law relating to industrial health, safety or sanitation.
- F. Except as required by federal law or for surface water discharges permitted pursuant to the Water Quality Act, in the adoption of [regulations] rules and water quality standards and in an action for enforcement of the Water Quality Act and [regulations] rules adopted pursuant to that act, reasonable degradation of water quality resulting from beneficial use shall be allowed. [Such] The degradation shall not result in impairment of water quality to the extent that water quality standards are exceeded.
- G. Except for the discharge of a water contaminant to a surface water, the Water Quality Act does not apply to [any] an activity or condition subject to the authority of the oil conservation commission pursuant to provisions of the Oil and Gas Act [Section 70-2-12 NMSA 1978] and other laws conferring power on the oil conservation commission to prevent or abate water pollution.
- H. When changes in dissolved oxygen, temperature, dissolved solids, sediment or turbidity in a water of the state .230690.1

is attributable to natural causes or to the reasonable operation of irrigation and flood control facilities that are not subject to federal or state water pollution control permitting, numerical standards for temperature, dissolved solids content, dissolved oxygen, sediment or turbidity adopted under the Water Quality Act do not apply. "Reasonable operation", as used in this subsection, shall be defined by [regulation] rule of the commission."

**SECTION 8.** A new section of the Water Quality Act is enacted to read:

"[NEW MATERIAL] NEGLECTED AND CONTAMINATED SITES FUND-CREATED.--

A. The "neglected and contaminated sites fund" is created as a nonreverting fund in the state treasury. The fund consists of appropriations, gifts, grants, donations and money received by the department. Unless otherwise required by law, money received or recovered by the state by or on behalf of the department arising from claims for enforcement actions, response actions or response costs relating to the contamination liability, including any fees, penalties, settlement funds, recovered litigation costs and any interest derived therefrom, shall be deposited in the fund.

B. The department shall administer the fund. Money in the fund is appropriated to the department for the state to respond to, investigate and remediate water pollution and .230690.1

1 contamination in soil and soil vapor.

C. Money in the fund shall be disbursed on warrants signed by the secretary of finance and administration pursuant to vouchers signed by the secretary of environment or the secretary's designee."

**SECTION 9.** A new section of the Water Quality Act is enacted to read:

"[NEW MATERIAL] LIABILITY--SCOPE--DEFENSES-CONTRIBUTION.--

A. Liability for the prevention or abatement of water pollution exists if there has been an actual or threatened release of a water contaminant that causes the requirement for response or remediation, or the incurrence of response or remediation costs. Responsible parties may be liable for the release of a water contaminant that occurred prior to and since the effective date of this 2025 act.

## B. Liability shall include:

- (1) all costs of removal or remedial action incurred by the state;
- (2) any other necessary costs of response incurred by any other person;
- (3) damages for injury to, destruction of or loss of natural resources, including the reasonable costs of assessing such injury, destruction or loss, resulting from a release of water contaminants; and

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health	effects	study	carried	out	pursu	ıant	to	rules	prom	ulgated
by the	commiss	ion.								

- C. Liability defenses of the responsible party shall include, if established by a preponderance of the evidence:
  - (1) an act of God;
  - (2) an act of war;
  - (3) an act or omission of a third party if:
- (a) the defendant exercised due care with respect to the water contaminant concerned, taking into consideration the characteristics of such contamination, in light of all relevant facts and circumstances;
- (b) the defendant took precautions against foreseeable acts or omissions of any such third party and the consequences that could foreseeably result from such acts or omissions;
- (c) the third party was not an employee or agent of the defendant at the time of the release; and
- (d) the third party was not one whose act or omission occurred in connection with a contractual relationship, existing directly or indirectly, with the defendant; or
- (4) any combination of Paragraphs (1) through(3) of this subsection.

D. Any person may seek contribution from any other
person who is liable or potentially liable pursuant to the
Water Quality Act. In resolving contribution claims, the court
may allocate response costs among liable parties using such
equitable factors as the court determines are appropriate.
Nothing in this subsection shall diminish the right of any
person to bring an action for contribution in the absence of a
civil action pursuant to the Water Quality Act.

E. A person who has resolved liability to the state in an administrative or judicially approved settlement shall not be liable for claims for contribution regarding matters addressed in the settlement. Such settlement does not discharge any of the other potentially liable persons unless its terms so provide, but it reduces the potential liability of the others by the amount of the settlement."

SECTION 10. [NEW MATERIAL] SHORT TITLE.--Sections 10 through 20 of this 2025 act may be cited as the "New Mexico Pollutant Discharge Elimination System Act".

SECTION 11. [NEW MATERIAL] DEFINITIONS.--As used in the New Mexico Pollutant Discharge Elimination System Act:

- A. "commission" means the water quality control commission;
- B. "confidential business information" means business information that a person claims as confidential at the time of submission and that, if made public, would divulge .230690.1

trade secrets or falls under other laws that give or may give a business the right to preserve the confidentiality of business information and to limit its use or disclosure by others in order that the business may obtain or retain business advantages it derives from its rights in the information;

- C. "department" means the department of
  environment;
- D. "discharge" means the addition of a pollutant or combination of pollutants to waters of the United States from a point source, including surface runoff collected or channeled by human effort, discharges through pipes, sewers or other conveyances owned by the state, a municipality or another person that do not lead to a treatment works and discharges through pipes, sewers or other conveyances leading into privately owned treatment works. "Discharge" does not include an addition of pollutants by an indirect discharger;
- E. "federal act" means the Federal Water Pollution
  Control Act and its subsequent amendments and successor
  provisions;
- F. "national pollutant discharge elimination system" means the program for issuing, modifying, revoking and reissuing, terminating, monitoring and enforcing permits and imposing and enforcing pretreatment requirements pursuant to Sections 307, 318, 402 and 405 of the federal act;
- G. "permit" means an authorization issued by the .230690.1

department in accordance with program requirements and includes an individual or general permit;

- H. "person" means an individual, an association, a partnership, a corporation, a municipality, a state or federal agency or an agent, officer or employee thereof;
- I. "point source" means a discernible, confined and discrete conveyance, including a pipe, ditch, channel, tunnel, conduit, well, discrete fissure, container, rolling stock, concentrated animal feeding operation, landfill leachate collection system or vessel or other floating craft from which pollutants are or may be discharged, but does not include a discharge composed entirely of return flows from irrigated agriculture or agricultural storm water runoff;

## J. "pollutant" means:

(1) dredged spoil, solid waste, incinerator residue, filter backwash, sewage, garbage, sewage sludge, munitions, chemical wastes, biological materials, radioactive materials (except those regulated pursuant to the federal Atomic Energy Act of 1954, as amended), heat, wrecked or discarded equipment, rock, sand, cellar dirt and industrial, municipal and agricultural waste discharged into water; but

- (2) "pollutant" does not include:
  - (a) sewage from vessels;
- (b) water, gas or other material that is injected into a well to facilitate production of oil or gas; .230690.1

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(c) water derived in association with oil or gas production and disposed of in a well, if: 1) the well is used either to facilitate production or for disposal purposes and is approved by authority of the state in which the well is located; and 2) the state determines that the injection or disposal will not result in the degradation of ground or surface water resources;

- K. "program" means the program authorized by the New Mexico Pollutant Discharge Elimination System Act and approved by the United States environmental protection agency;
- L. "regional administrator" means the regional administrator of region six of the United States environmental protection agency; and
- M. "waters of the United States" means those waters regulated pursuant to the national pollutant discharge elimination system program and defined in federal regulations.

## SECTION 12. [NEW MATERIAL] PERMIT REQUIRED.--

- A. A person shall not discharge a pollutant from a point source to waters of the United States without a permit issued by the department pursuant to the New Mexico Pollutant Discharge Elimination System Act and the program.
- B. The issuance of a permit does not convey any property rights or exclusive privileges.
- C. The issuance of a permit does not authorize any .230690.1

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injury to persons or property or invasion of other private rights or any infringement of any other laws, rules, regulations or ordinances.

- D. No permit shall be issued when the regional administrator has objected in writing pursuant to the federal act.
- E. Only the following exemptions apply to surface water permits:
- (1) a discharge composed entirely of return flows from irrigated agriculture;
- (2) a discharge of storm water runoff from a mining operation or an oil and gas exploration, production, processing or treatment operation or transmission facility that is composed entirely of flows that are from conveyances or systems of conveyances, including pipes, conduits, ditches and channels, used for collecting and conveying precipitation runoff and that are not contaminated by contact with, or do not come into contact with, any overburden, raw material, intermediate products, finished product, byproduct or waste products located on the site of the operation or facility. Oil and gas exploration, production, processing or treatment operations or transmission facilities include activities necessary to prepare a site for drilling and for the movement and placement of drilling equipment, whether or not the field activities or operations may be considered to be construction

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	(	(3) a	discharge	of	runoff	resultin	ng from	the
following	silvicu	lture	activities	cc	nducted	in acco	rdance	with
standard i	.ndustry	prac	tice:					

- (a) nursery operations;
- (b) site preparation;
- (c) reforestation and subsequent

cultural treatment;

activities; or

- (d) thinning;
- (e) prescribed burning;
- (f) pest and fire control;
- (g) harvesting operations;
- (h) surface drainage; and
- (i) road construction and maintenance.

# **SECTION 13.** [NEW MATERIAL] COMMISSION--DUTIES.--The commission shall:

A. adopt, promulgate and publish rules to implement and administer the program, including the standards, requirements and processes to issue, renew, modify, deny and terminate permits, including rules that are necessary and appropriate to obtain and sustain authorization from the regional administrator. In adopting the rules, the commission may incorporate by reference, including prospectively, those sections or parts of federal regulations that the commission deems necessary and appropriate;

B. adopt, promulgate and publish rules for
notification procedures that ensure that the public and
affected Indian nations, tribes and pueblos, governmental
agencies and downstream states receive notice of each draft
permit;

- C. adopt a schedule of fees to support the cost of implementing the program, including the preparation and adoption of rules, the review of applications, issuance and enforcement of permits and rules, compliance assistance, monitoring and inspection of facilities and discharges, data stewardship, records management, administrative and legal costs and other costs the commission deems appropriate. Unless otherwise required by law, money collected pursuant to this section shall be deposited in the water quality management fund; and
- D. hear and decide petitions for review of department actions to require, issue, renew, modify, deny or terminate a permit or issue a compliance order.

SECTION 14. [NEW MATERIAL] DEPARTMENT--DUTIES AND POWERS.--

A. For the discharge of a pollutant to waters of the United States, notwithstanding the provisions of Section 70-2-12 NMSA 1978, the department shall administer and enforce rules adopted by the commission pursuant to the New Mexico Pollutant Discharge Elimination System Act.

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reporting;

	В.	The	depart	nent	shall	have	a11	duties	and	powers
necessary	and	appro	opriate	to	impleme	ent t	he p	orogram,	incl	luding
the author	city	to:								

- (1) propose rules for adoption by the commission;
  - (2) conduct investigations;
  - (3) require monitoring, sampling and
- (4) require the keeping and production of records, documents and other information;
  - (5) review applications;
- (6) require, issue, renew, modify, deny or terminate permits;
- (7) deny a permit or request for permit coverage if the discharge would cause or contribute to a pollutant in excess of a downstream state or tribal water quality standard;
- (8) enter into or through any site or premises subject to rules adopted for the program or in which records relevant to program operation are kept or may be located, at a reasonable time and upon the presentation of proper credentials, in order to investigate whether a discharge may be present, inspect, monitor, copy records, sample, photograph, collect other information or otherwise investigate compliance with the program, including compliance with permit conditions .230690.1

and other program requirements. Entry into a private residence shall be allowed only by consent of the owner of the residence or order of the district court for the county in which venue is proper;

- (9) issue administrative compliance orders and file civil and criminal actions in the district court to enforce the New Mexico Pollutant Discharge Elimination System Act, permits and rules, including pretreatment standards and local limits adopted by publicly owned treatment works;
- (10) enter into agreements with the regional administrator for the implementation of the program;
- (11) enter into agreements with other governmental entities, including Indian nations, tribes and pueblos; and
- (12) receive and expend funds appropriated, authorized, granted, donated or allocated to the department for purposes consistent with the New Mexico Pollutant Discharge Elimination System Act.
  - C. The department shall:
- (1) encourage the public to report violations pursuant to the New Mexico Pollutant Discharge Elimination System Act;
- (2) develop procedures for receiving and ensuring proper consideration of information submitted by the public about violations and make available information on those .230690.1

	reporting	procedures
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- (3) investigate and provide written responses to all complaints submitted pursuant to the reporting procedures;
- (4) publish notice of and provide at least thirty days for public comment on any proposed settlement of an enforcement action taken pursuant to the New Mexico Pollutant Discharge Elimination System Act; and
- (5) not oppose intervention by any person when permissive intervention may be authorized by statute or rule.
- SECTION 15. [NEW MATERIAL] ADMINISTRATIVE AND CIVIL ENFORCEMENT.--
- A. Whenever the department or attorney general determines that a person violated or is violating or that a violation may occur of any requirement of the New Mexico Pollutant Discharge Elimination System Act, program, permit or rule, the department or attorney general may:
- (1) issue a temporary order directing the person to cease and desist unauthorized activity that is endangering or causing damage to public health or the environment pending further action by the department;
- (2) issue an administrative compliance order requiring compliance, modification or termination of the permit and assess a civil penalty, including for administrative compliance costs; and

(3) commence a civil action in district court for appropriate relief, including a temporary restraining order or injunctive relief for a threatened or continuing violation of a program requirement and a civil penalty.

B. An administrative compliance order shall state with reasonable specificity the nature of the violation. Civil penalties shall be recoverable for the violation of a provision of the New Mexico Pollutant Discharge Elimination System Act or the program; a program permit condition; a program filing requirement; a duty to allow or carry out inspection, entry or monitoring activities; or a rule or an order issued by the department. A civil penalty shall be assessable in at least the amount of five thousand dollars (\$5,000) per day for each violation, but shall not exceed twenty thousand dollars (\$20,000) per day for each violation.

C. In determining the amount of a civil penalty, the department, attorney general or district court shall consider the seriousness of the violation or violations, as well as the economic benefit, if any, resulting from the violation, any history of such violations, any good-faith efforts to comply with the applicable requirements, the economic impact of the penalty on the violator and other matters as justice may require. For the purposes of this section, a single operational upset or event that leads to simultaneous violations of more than one pollutant parameter

shall be treated as a single violation.

- D. An administrative compliance order issued pursuant to Paragraph (2) of Subsection A of this section shall become final unless, no later than thirty days after service, the person issued the compliance order submits a written request to the commission for a public hearing.
- E. The commission shall conduct a public hearing no later than ninety days after receipt of the written request for a public hearing.
- F. Following a public hearing, the commission shall issue a written decision that shall constitute the final action on the compliance order.
- G. If a person fails to comply with the final action on the compliance order, the department or attorney general may file a civil action in the district court to require compliance, modify or terminate the permit, collect the assessed civil penalty and assess an additional civil penalty of not more than twenty-five thousand dollars (\$25,000) for each day of continued noncompliance with the compliance order.
- H. Unless otherwise required by law, money collected pursuant to this section shall be deposited in the water quality management fund.

#### SECTION 16. [NEW MATERIAL] CRIMINAL ENFORCEMENT.--

- A. A person shall not:
- (1) discharge a pollutant to waters of the .230690.1

United	State	es w	ithout	а	permit	for	the	discharge	issued
pursuar	nt to	the	progra	am	;				

- (2) violate an applicable standard,
  limitation, permit condition or other requirement of a permit
  issued pursuant to the New Mexico Pollutant Discharge
  Elimination System Act or a rule adopted pursuant to that act;
- (3) make a false statement, a representation, a certification or an omission of material fact in an application, a record, a plan, a form, a notice or a report required by a permit or other document submitted or maintained pursuant to the New Mexico Pollutant Discharge Elimination System Act or a rule or permit adopted or issued pursuant to that act;
- (4) falsify, tamper with or render inaccurate a monitoring device, method or record required to be maintained pursuant to the New Mexico Pollutant Discharge Elimination

  System Act or a rule or permit adopted or issued pursuant to that act;
- (5) fail to monitor, sample or report as required by a permit issued pursuant to the New Mexico

  Pollutant Discharge Elimination System Act or a rule or permit adopted or issued pursuant to that act; or
- (6) violate a filing requirement pursuant to the New Mexico Pollutant Discharge Elimination System Act or a rule or permit adopted or issued pursuant to that act.

- B. A person who knowingly violates or knowingly causes or allows another person to violate Subsection A of this section is guilty of a fourth degree felony and shall be sentenced in accordance with the provisions of the Criminal Sentencing Act.
- C. A person who is convicted of a second or subsequent violation of Subsection A of this section is guilty of a third degree felony and shall be sentenced in accordance with the provisions of the Criminal Sentencing Act.
- D. A person who knowingly violates Subsection A of this section or knowingly causes another person to violate Subsection A of this section and thereby causes a substantial adverse environmental impact is guilty of a third degree felony and shall be sentenced in accordance with the provisions of the Criminal Sentencing Act.
- E. A person who knowingly violates Subsection A of this section and knows at the time of the violation that the person is creating a substantial danger of death or serious bodily injury to any other person is guilty of a second degree felony and shall be sentenced in accordance with the provisions of the Criminal Sentencing Act.
- F. A person who willfully or negligently violates
  Paragraph (2) or (6) of Subsection A of this section may be
  assessed a criminal fine of ten thousand dollars (\$10,000) per
  day for each violation.

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- H. A single operational upset or event that leads to simultaneous violations of more than one pollutant parameter shall be treated as a single violation.
- I. The attorney general has the authority to enforce this section.

## SECTION 17. [NEW MATERIAL] APPEALS TO THE COMMISSION.--

- A. An interested person who is affected by a permitting action or compliance order may file a petition for review before the commission. The petition shall:
- (1) be made in writing to the commission within thirty days from the date notice is given to the applicant or permittee of the department's action;
- (2) include a statement of the issues to be raised and the relief sought; and
- (3) be provided to all other persons submitting evidence, data, views or arguments in the proceeding before the department.
- B. A person who files a timely petition for review may request a stay of the department's action, which the commission may grant in whole or in part after a hearing on the request and a showing of good cause.
- C. Unless a timely petition for review is made, the .230690.1

decision of the department shall be final and shall not be subject to judicial review or review by the commission.

- D. If a timely petition for review is made, the commission shall consider the petition within ninety days after receipt of the petition at a commission meeting open to the public. The commission shall notify the petitioner and the applicant or permittee, if other than the petitioner, of the date, time and location of the public commission meeting at which the petition for review will be considered. If the petitioner is not the applicant or permittee, the applicant or permittee shall be a party to the proceeding. The commission shall ensure that the public receives notice of the date, time and place of the review.
- E. The commission shall review the record compiled before the department, including the transcript of any public hearing held on the permitting action or compliance order, and shall allow any party to submit arguments.
- F. The commission may designate a hearing officer to review the record and the arguments of the parties and recommend a decision to the commission.
- G. Based on the review of the evidence, the arguments of the parties, if any, and the recommendations of the hearing officer, if one is designated, the commission shall sustain, modify or reverse the action of the department. The commission shall enter ultimate findings of fact and

conclusions of law and keep a record of the review.

H. Prior to the date set for review, if a party shows to the satisfaction of the commission that there was no reasonable opportunity to submit comment or evidence on an issue being challenged, the commission shall order that additional comment or evidence be taken by the department. Based on the additional evidence, the department may revise the decision and shall promptly file with the commission the additional evidence received and action taken. The commission shall consider the additional evidence within ninety days after receipt of the additional evidence and shall notify the petitioner and the applicant or permittee, if other than the petitioner, of the date, time and place of the review.

I. The commission shall notify the petitioner and all other participants in the review proceeding of the action taken by the commission and the reasons for that action.

## SECTION 18. [NEW MATERIAL] JUDICIAL REVIEW .--

A. A person who is adversely affected by a rule adopted by the commission may appeal to the court of appeals for further relief no later than thirty days after the commission's final action. The date the rule is filed with state records pursuant to the State Rules Act shall be the date of the commission's final action.

B. A person who participated in a permitting or compliance order review before the commission may appeal to the .230690.1

court of appeals for further relief no later than thirty days after the commission's final action.

- C. An appeal before the court of appeals shall be upon the record made before the commission.
- D. An application for a stay of the action being appealed may be filed with the commission no later than thirty days after the commission's final action. After a hearing and a showing of good cause by the appellant, a stay of the action being appealed may be granted pending the outcome of the judicial review. If the commission denies the application, a stay of the action may be granted by the court of appeals within ninety days after the commission's denial.
- E. The court of appeals shall set aside the commission's final action only if the court finds that the action is:
- (1) arbitrary, capricious or an abuse of discretion;
- (2) not supported by substantial evidence in the record; or
  - (3) otherwise not in accordance with law.
- SECTION 19. [NEW MATERIAL] LIMITATIONS.--The New Mexico Pollutant Discharge Elimination System Act does not authorize the commission or department to require a permit that:
- A. takes away or modifies a property right in water, except that the discharge of a pollutant to waters of .230690.1

the United States without a permit shall not be a property right in water;

- B. affects the relation between employers and employees with respect to or arising out of a condition of water quality; or
- C. supersedes or limits the applicability of a law relating to industrial health, safety or sanitation.

## SECTION 20. [NEW MATERIAL] AVAILABILITY OF RECORDS.--

- A. Records, including the names and addresses of permit applicants or permittees, applications, permits, inspections and effluent data, including data relating to discharges and ambient water quality, obtained by the commission or department pursuant to the New Mexico Pollutant Discharge Elimination System Act shall be available to the public.
- B. Records obtained by the commission or department that are submitted in relation to applications shall include information required on application forms provided by the commission or department, information submitted on the forms themselves and any attachments used to supply information required by the forms. All such records shall be available to the public.
- C. For other records, the commission or department shall not disclose the record if a person submitting the record asserts at the time of submission that the record or part of .230690.1

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S001	cate Act										

- Confidential business information or trade secrets may be disclosed:
- (1) to officers, employees or authorized representatives of the commission or department;
- (2) to officers, employees or authorized representatives of the United States; or
- (3) when relevant, in a proceeding pursuant to the New Mexico Pollutant Discharge Elimination System Act or the federal act.
- An officer, employee or authorized representative of the commission or department who willfully discloses information that the commission or department has determined is entitled to protection as confidential business information or a trade secret shall be fined not more than one thousand dollars (\$1,000) or imprisoned for not more than one year, or both.
- In submitting records, a person providing the records shall:
- designate the records the person believes (1) are entitled to protection pursuant to this section by stamping the records as "confidential business information"; and
- (2) submit the designated records separately .230690.1

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SECTION 21. EMERGENCY.--It is necessary for the public peace, health and safety that this act take effect immediately.

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