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AN ACT  
RELATING TO PUBLIC FINANCE; CREATING THE COMMUNITY BENEFIT  
FUND.

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

SECTION 1. COMMUNITY BENEFIT FUND--PROJECTS TO BE  
FUNDED.--

A. The "community benefit fund" is created as a nonreverting fund in the state treasury. The fund consists of distributions, appropriations, gifts, grants, donations and bequests made to the fund and income from investment of the fund. The department of finance and administration shall administer the fund, and money in the fund is subject to appropriation by the legislature to fund projects that will:

(1) reduce a greenhouse gas; provided that for projects related to:

(a) the construction or the renovation of a public building, the reduction shall be accomplished by practices that exceed all requirements of the most current international energy conservation code; and

(b) reducing methane leaks and releases attributable to the extractive industries, projects shall implement greenhouse gas emission reduction strategies to achieve emission reductions that are in addition to those that would be achieved pursuant to any existing greenhouse

1 regulatory requirements in state or federal law;

2 (2) increase electric grid capacity,  
3 resilience or reliability through grid modernization;

4 (3) increase electricity from renewable  
5 energy resources and the efficiency of electricity from  
6 energy efficiency projects;

7 (4) reduce the use of combustion engine  
8 vehicles through transportation projects, including projects  
9 that increase electric vehicle infrastructure or bicycle and  
10 pedestrian infrastructure;

11 (5) assess or reduce the effects of climate  
12 change on the natural environment, agricultural production,  
13 land and natural resources and human health;

14 (6) assist public entities in the purchase  
15 of electric vehicles and related charging infrastructure to  
16 reduce the use of combustion engine vehicles;

17 (7) establish or expand economic development  
18 needed to address the economic implications of climate  
19 change, develop economic opportunities to optimize resources  
20 to lower consumption, promote the reuse and recycling of  
21 materials in a sustainable manner and transition New Mexico  
22 away from dependence on the fossil fuel industry as a revenue  
23 resource; or

24 (8) establish or expand worker training  
25 activities to provide workers for industries that assist in

1 achieving the objectives identified in Paragraphs (1) through  
2 (7) of this subsection.

3 B. A project that proposes to meet the  
4 requirements of:

5 (1) Paragraphs (1) through (5) of Subsection  
6 A of this section shall include:

7 (a) documentation that two meetings  
8 regarding the project were held within the community affected  
9 by the proposed project to accept comments and address  
10 concerns and that shows that notice of the meetings was  
11 provided to overburdened communities that may be impacted by  
12 the project; or

13 (b) a community benefits agreement  
14 negotiated with overburdened communities that may be impacted  
15 by the project; and

16 (2) Paragraphs (7) and (8) of Subsection A  
17 of this section shall include a plan for outreach to  
18 overburdened communities to encourage those communities to  
19 participate in the worker training programs or in the  
20 economic development opportunities.

21 C. The department of finance and administration  
22 shall, in consultation with energy, minerals and natural  
23 resources department, develop or identify a data tool that  
24 uses spatial datasets to identify overburdened communities,  
25 which are communities experiencing disproportionate burdens

1 in climate change, energy, health, housing, legacy pollution,  
2 transportation, water and wastewater and workforce  
3 development. The departments shall ensure that data from  
4 tribal and indigenous communities are included in the data  
5 used by the data tool.

6 D. On or before December 1 of each year that a  
7 project receives funding from the community benefit fund, the  
8 administrating agency shall submit a report to the  
9 appropriate interim legislative committees with the progress  
10 or, if appropriate, final results of the project and any  
11 other information the committee requires to evaluate the  
12 project.

13 E. As used in this section:

14 (1) "climate change" means any significant  
15 change in the measures of climate lasting for an extended  
16 period of time, typically decades or longer, and includes  
17 major changes in temperature, precipitation, wind patterns or  
18 other weather-related effects;

19 (2) "energy efficiency" means measures,  
20 including energy conservation measures, or programs that  
21 target consumer behavior, equipment or devices to result in a  
22 decrease in consumption of electricity without reducing the  
23 amount or quality of energy services;

24 (3) "greenhouse gas" means a gas or gaseous  
25 compound that contributes to the process through which heat

1 is trapped near earth's surface by absorbing infrared  
2 radiation, including carbon dioxide, methane, nitrous oxide,  
3 hydrofluorocarbons, perfluorocarbons, nitrogen trifluoride  
4 and sulfur hexafluoride;

5 (4) "grid modernization" means improvements  
6 to electric distribution or transmission infrastructure,  
7 including related data analytics equipment, that are designed  
8 to accommodate or facilitate the integration of renewable  
9 electric generation resources with the electric distribution  
10 grid or to otherwise enhance electric distribution or  
11 transmission grid reliability, grid security, demand response  
12 capability, customer service or energy efficiency or  
13 conservation; and

14 (5) "renewable energy resource" means  
15 electric or useful thermal energy that:

16 (a) is generated by use of the  
17 following energy resources, with or without energy storage  
18 and delivered to a rural electric cooperative or public  
19 utility: 1) solar, wind and geothermal; 2) hydropower  
20 facilities brought in service on or after July 1, 2007;  
21 3) other hydropower facilities supplying no greater than the  
22 amount of energy from hydropower facilities that were part of  
23 an energy supply portfolio prior to July 1, 2007; 4) fuel  
24 cells that do not use fossil fuels to create electricity;  
25 5) biomass resources, limited to agriculture or animal waste,

1 small diameter timber not to exceed eight inches, salt cedar  
2 and other phreatophyte or woody vegetation removed from river  
3 basins or watersheds in New Mexico; provided that these  
4 resources are from facilities certified by the energy,  
5 minerals and natural resources department to: a) be of  
6 appropriate scale to have sustainable feedstock in the near  
7 vicinity; b) have zero life cycle carbon emissions; and  
8 c) meet scientifically determined restoration, sustainability  
9 and soil nutrient principles; and 6) landfill gas and  
10 anaerobically digested waste biomass; and

11 (b) does not include electric energy  
12 generated by use of fossil fuel or nuclear energy. \_\_\_\_\_

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