

SENATE CONSERVATION COMMITTEE SUBSTITUTE FOR
SENATE BILLS 132 & 239

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

FOR THE NEW MEXICO FINANCE AUTHORITY OVERSIGHT COMMITTEE

AN ACT

RELATING TO WATER; AMENDING MEMBERSHIP OF THE WATER TRUST BOARD; PROVIDING FOR DESIGNEES TO THE WATER TRUST BOARD; PROVIDING FOR PRIORITIZATION OF PROJECTS; REMOVING THE DROUGHT STRIKE TEAM FROM WATER TRUST BOARD DUTIES; PROVIDING FOR APPROPRIATIONS AND DONATIONS TO THE WATER PROJECT FUND; PROVIDING THAT TWENTY-FIVE PERCENT OF THE WATER PROJECT FUND BE DEDICATED TO WATERSHED RESTORATION.

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

Section 1. Section 72-4A-4 NMSA 1978 (being Laws 2001, Chapter 164, Section 4) is amended to read:

"72-4A-4. WATER TRUST BOARD CREATED.--

A. The "water trust board" is created. The board is composed of the following fifteen members:

(1) the state engineer or ~~his~~ the state

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1 engineer's designee, who shall be the [~~chairman~~] chair of the
2 board;

3 (2) the executive director of the New Mexico
4 finance authority or the executive director's designee;

5 (3) the secretary of environment or [~~his~~] the
6 secretary's designee;

7 (4) the secretary of energy, minerals and
8 natural resources or [~~his~~] the secretary's designee;

9 (5) the director of the department of game and
10 fish or [~~his~~] the director's designee;

11 (6) the director of the New Mexico department
12 of agriculture or [~~his~~] the director's designee;

13 (7) the executive director of the New Mexico
14 municipal league or [~~his~~] the executive director's designee;

15 (8) the executive director of the New Mexico
16 association of counties or [~~his~~] the executive director's
17 designee;

18 (9) the executive director of the New Mexico
19 association of conservation districts or the executive
20 director's designee;

21 [~~(9) five~~] (10) four public members appointed
22 by the governor and confirmed by the senate and who represent:

23 (a) the environmental community;

24 (b) an irrigation or conservancy
25 district that uses surface water;

1 (c) an irrigation or conservancy
 2 district that uses ground water; and

3 (d) acequia water users; [~~and~~
 4 ~~(e) soil and water conservation~~
 5 ~~districts]~~

6 (10) one public member appointed by the
 7 [~~commission on~~] Indian affairs commission; and

8 (11) the president of the Navajo Nation or
 9 [~~his~~] the president's designee.

10 B. The board shall meet at the call of the
 11 [~~chairman~~] chair or whenever three members submit a request in
 12 writing to the [~~chairman~~] chair, but not less often than once
 13 each calendar year. A majority of members constitutes a quorum
 14 for the transaction of business. The affirmative vote of at
 15 least a majority of a quorum present shall be necessary for an
 16 action to be taken by the board.

17 C. Each public member of the board appointed by the
 18 governor shall be appointed to a four-year term. To provide
 19 for staggered terms, two of the initially governor-appointed
 20 public members shall be appointed for terms of two years and
 21 three members for terms of four years. Thereafter, all
 22 governor-appointed members shall be appointed for four-year
 23 terms. Vacancies shall be filled by appointment by the
 24 governor for the remainder of the unexpired term.

25 D. Public members of the board shall be reimbursed

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1 for attending meetings of the board as provided for nonsalaried
2 public officers in the Per Diem and Mileage Act and shall
3 receive no other compensation, perquisite or allowance.

4 E. Public members of the board are appointed public
5 officials of the state while carrying out their duties and
6 activities under the Water Project Finance Act."

7 Section 2. Section 72-4A-5 NMSA 1978 (being Laws 2001,
8 Chapter 164, Section 5, as amended by Laws 2003, Chapter 139,
9 Section 3 and by Laws 2003, Chapter 365, Section 1) is amended
10 to read:

11 "72-4A-5. BOARD--DUTIES.--The board shall:

12 A. adopt rules governing terms and conditions of
13 grants or loans recommended by the board for appropriation by
14 the legislature from the water project fund, giving priority to
15 projects [~~that have urgent needs, that have been identified for~~
16 ~~implementation of]~~ that have been identified as being urgent to
17 meet the needs of a regional water planning area in accordance
18 with part of a regional water plan under development or in
19 accordance with a completed regional water plan [~~that is]~~
20 accepted by the interstate stream commission, [~~and]~~ that have
21 matching contributions from federal or local funding sources
22 available and that have obtained all requisite state and
23 federal permits and authorizations necessary to initiate the
24 project; and

25 B. authorize qualifying water projects to the

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1 authority that are for:

- 2 (1) storage, conveyance or delivery of water
- 3 to end users;
- 4 (2) implementation of federal Endangered
- 5 Species Act of 1973 collaborative programs;
- 6 (3) restoration and management of watersheds;
- 7 (4) flood prevention; or
- 8 (5) ~~[water]~~ conservation, recycling, treatment
- 9 or reuse of water as provided by law ~~[and~~

10 ~~G. create a drought strike team to coordinate~~
 11 ~~responses to emergency water shortages caused by drought~~
 12 ~~conditions]."~~

13 Section 3. Section 72-4A-9 NMSA 1978 (being Laws 2001,
 14 Chapter 164, Section 9) is amended to read:

15 "72-4A-9. WATER PROJECT FUND--CREATED--PURPOSE.--

16 A. The "water project fund" is created in the New
 17 Mexico finance authority and shall consist of distributions
 18 made to the fund from the water trust fund and payments of
 19 principal of and interest on loans for approved water projects.
 20 The fund shall also consist of any other money appropriated,
 21 donated, distributed or otherwise allocated to the fund for the
 22 purpose of supporting water projects pursuant to provisions of
 23 the Water Project Finance Act. The fund shall be administered
 24 by the authority. Income from investment of the water project
 25 fund shall be credited to the fund. Balances in the fund at

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1 the end of any fiscal year shall not revert to the general
2 fund. The water project fund may consist of such subaccounts
3 as the authority deems necessary to carry out the purposes of
4 the fund. The authority may establish procedures and adopt
5 rules as required to administer the fund and to recover from
6 the fund costs of administering the fund and originating grants
7 and loans. Twenty-five percent of all water project funds
8 shall be dedicated to forest and watershed restoration
9 projects.

10 B. Money in the water project fund may be used to
11 make loans or grants to qualified entities for any project
12 approved by the legislature.

13 C. The authority is authorized to issue revenue
14 bonds payable from the proceeds of loan repayments made into
15 the water project fund upon a determination by the authority
16 that issuance of the bonds is necessary to replenish the
17 principal balance of the fund. The net proceeds from the sale
18 of the bonds shall be deposited in the water project fund. The
19 bonds shall be authorized and issued by the authority in
20 accordance with the provisions of the New Mexico Finance
21 Authority Act."

22 Section 4. REPEAL.--Laws 2003, Chapter 139, Section 3 is
23 repealed.

24 Section 5. EFFECTIVE DATE.--The effective date of the
25 provisions of this act is July 1, 2005.