

1 HOUSE BILL 357

2 **54TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2020**

3 INTRODUCED BY

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10 AN ACT

11 RELATING TO WATER; LIMITING THE USE OF THE NEW MEXICO UNIT FUND
12 TO COSTS ASSOCIATED WITH WATER UTILIZATION ALTERNATIVES TO THE
13 NEW MEXICO UNIT; SPECIFYING THE TYPES OF PROJECTS TO BE FUNDED.

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

16 SECTION 1. Section 72-14-45 NMSA 1978 (being Laws 2011,
17 Chapter 99, Section 1) is amended to read:

18 "72-14-45. NEW MEXICO UNIT FUND--PURPOSE--
19 APPROPRIATION.--

20 A. The "New Mexico unit fund" is created in the
21 state treasury. The fund shall consist of money distributed to
22 the state pursuant to Paragraphs (2)(D)(i) and (ii) of Section
23 403(f) of the federal Colorado River Basin Project Act of 1968,
24 as amended by Section 107(a) of the federal Arizona Water
25 Settlements Act, Public Law 108-451, December 10, 2004; other

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1 money made available to the fund pursuant to Section 212 of the
2 federal Arizona Water Settlements Act, Public Law 108-451,
3 December 10, 2004; appropriations; grants; and donations or
4 bequests to the fund.

5 B. Income from the fund shall be credited to the
6 fund. Any unexpended or unencumbered balance remaining in the
7 fund at the end of a fiscal year shall not revert to the
8 general fund. Money in the fund shall not be transferred,
9 other than through an intra-agency transfer, to any other fund.

10 C. Money in the fund shall be administered by the
11 interstate stream commission and is appropriated to the
12 interstate stream commission for expenditure in fiscal year
13 2012 and subsequent fiscal years to comply with the provisions
14 of the federal laws cited in Subsection A of this section.
15 Those provisions of federal law establish that the purpose of
16 money in the fund is to pay the costs of the New Mexico unit or
17 other water utilization alternatives to meet water supply
18 demands in the southwest water planning region of New Mexico,
19 as determined by the interstate stream commission in
20 consultation with the southwest New Mexico water study group or
21 its successor, including costs associated with planning and
22 environmental compliance activities and environmental
23 mitigation and restoration.

24 D. The interstate stream commission shall:

25 (1) pay from the New Mexico unit fund the

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1 costs of water utilization projects to meet water supply
2 demands in the southwest water planning region of New Mexico
3 that are categorized as alternatives to the development or
4 construction of a New Mexico unit in accordance with the
5 provisions of this section;

6 (2) allocate and expend no less than seventy-
7 two million dollars (\$72,000,000) of the fund balance,
8 inclusive of investment proceeds and the remaining annual
9 deposit due the fund, to implement non-New Mexico unit
10 alternatives that the interstate stream commission finds will
11 utilize available water resources to meet specific existing or
12 planned future water supply demands in southwest New Mexico;

13 (3) prioritize funding for:

14 (a) non-New Mexico unit projects that
15 were evaluated and approved by the interstate stream commission
16 but were not fully funded; and

17 (b) infrastructure projects in the
18 southwest water planning region that will develop and deliver
19 water supplies to meet demands from public drinking water
20 systems and are included in infrastructure capital improvement
21 plans approved by local governments; and

22 (4) assess the availability of federal
23 matching funds and local funding capacities and shall allocate
24 and pay from the New Mexico unit fund amounts for each funded
25 project that in its judgment will be sufficient for prompt

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1 project implementation while requiring reasonably available
2 non-state matching funds to be secured by project proponents.

3 E. Money in the fund shall not be expended for any
4 purpose other than the purpose provided in this section. The
5 interstate stream commission may adopt rules it deems necessary
6 to carry out the purpose of this section.

7 ~~[D-]~~ F. On or before November 15 of each year, the
8 interstate stream commission shall report to the appropriate
9 legislative interim committee dealing with water and natural
10 resources and to the legislative finance committee on:

- 11 (1) the status of the New Mexico unit fund;
12 (2) the distribution of money from the New
13 Mexico unit fund to implement the purpose of the fund pursuant
14 to Subsection C of this section; and
15 (3) proposed uses and levels of funding
16 projected for the following fiscal year.

17 ~~[E-]~~ G. Expenditures from the fund shall be made on
18 warrants signed by the secretary of finance and administration
19 pursuant to vouchers signed by the director of the interstate
20 stream commission upon the delegation of authority by the
21 interstate stream commission.

22 H. The interstate stream commission shall not make
23 expenditures from the New Mexico unit fund to pay for
24 administrative or operating expenses of a political subdivision
25 of the state, an organization of political subdivisions of the

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state or the New Mexico central Arizona project entity."