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HOUSE BILL 301

**56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024**

INTRODUCED BY

William "Bill" R. Rehm and Mark Duncan and Dayan Hochman-Vigil  
and Patricia A. Lundstrom and Anthony Allison

AN ACT

RELATING TO WATER; CREATING THE FUTURE WATER TRUST FUND;  
CREATING THE FUTURE WATER PROJECT FUND; INCLUDING THE FUTURE  
WATER TRUST FUND IN THE PERMANENT FUNDS INVESTED BY THE STATE  
INVESTMENT COUNCIL; MAKING AN APPROPRIATION.

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

SECTION 1. Section 6-8-1 NMSA 1978 (being Laws 1957,  
Chapter 179, Section 1, as amended) is amended to read:

"6-8-1. DEFINITIONS.--As used in Chapter 6, Article 8  
NMSA 1978:

- A. "council" means the state investment council;
- B. "department" means the department of finance and  
administration;
- C. "land grant permanent funds" means the permanent  
school fund established by Article 12, Section 2 of the

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1 constitution of New Mexico and all other permanent funds  
2 derived from lands granted or confirmed to the state by the act  
3 of congress of June 20, 1910, entitled "An Act To enable the  
4 people of New Mexico to form a constitution and state  
5 government and be admitted into the Union on an equal footing  
6 with the original States...";

7 D. "permanent funds" means the land grant permanent  
8 funds, rural libraries endowment fund, severance tax permanent  
9 fund, tobacco settlement permanent fund, conservation legacy  
10 permanent fund, future water trust fund and water trust fund;

11 E. "secretary" means the secretary of finance and  
12 administration;

13 F. "severance tax permanent fund" means the fund  
14 established by Article 8, Section 10 of the constitution of New  
15 Mexico;

16 G. "tobacco settlement permanent fund" means the  
17 fund established by Section 6-4-9 NMSA 1978; and

18 H. "water trust fund" means the fund established by  
19 Article 16, Section 6 of the constitution of New Mexico."

20 SECTION 2. A new section of Chapter 75, Article 12 NMSA  
21 1978 is enacted to read:

22 "[NEW MATERIAL] FUTURE WATER TRUST FUND--CREATED--  
23 INVESTMENT--DISTRIBUTION.--

24 A. The "future water trust fund" is created as a  
25 nonreverting fund in the state treasury. The fund consists of

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1 distributions, appropriations, gifts, grants, donations and  
2 income from investment of the fund. Money in the fund shall be  
3 invested by the state investment officer with the same risk and  
4 return profile as land grant permanent funds are invested  
5 pursuant to Chapter 6, Article 8 NMSA 1978. Earnings from  
6 investment of the fund shall be credited to the fund. Money in  
7 the fund shall be expended only as provided in this section.

8 B. Money in the fund is subject to appropriation by  
9 the legislature. The legislature may appropriate any  
10 investment income in the fund to the future water project  
11 fund."

12 SECTION 3. A new section of Chapter 75, Article 12 NMSA  
13 1978 is enacted to read:

14 "[NEW MATERIAL] FUTURE WATER PROJECT FUND--CREATED--  
15 PURPOSE.--

16 A. The "future water project fund" is created as a  
17 nonreverting fund in the state treasury. The fund consists of  
18 distributions, appropriations, gifts, grants, donations and  
19 income from investment of the fund.

20 B. The office of the state engineer shall  
21 administer the fund, and money in the fund is appropriated to  
22 the office of the state engineer to:

23 (1) purchase water rights from outside the  
24 state;

25 (2) conduct studies on and advocate for

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1 projects for the delivery of water to New Mexico from outside  
2 the state; and

3 (3) fund projects in New Mexico for delivery  
4 of water that comes from outside the state.

5 C. Disbursements from the fund shall be made by  
6 warrant of the secretary of finance and administration pursuant  
7 to vouchers signed by the state engineer or the state  
8 engineer's authorized representative."