

LFC Requester:	Julisa Rodriguez
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 2/21/2025 *Check all that apply:*
Bill Number: HB539 Original Correction
 Amendment Substitute

Sponsor: Rep. Raymundo Lara **Agency Name and Code** 430 – Public Regulation
Short Title: Camino Real Regional Utility Authority **Number:** Commission
Person Writing Jacqueline Ortiz
Phone: (505)490-2696 **Email** jerri.mares@prc.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

This bill seeks to create a Camino Real Regional Utility Authority which would be governed by a board of directors.

Section 2 of this bill establishes the board of directors' powers and duties. The board is granted "all powers necessary and appropriate" to carry out the purposes of the new act. The board may delegate its powers by resolution to an officer or agent aside from (1) adoption of board rules, policies and procedures; (2) ratification of acquisition of property; (3) initiation or continuation of legal action; (4) establishment of fees, tolls, rates or other charges; and (5) issuance of revenue bonds.

Section 2 establishes that meetings may occur at the call of the chair or whenever 3 of the 7 members so request in writing, however, voting would require a quorum.

Generally, the board may (1) adopt bylaws; (2) fix the time and place of meetings and the method of providing notice of the meetings in accordance with OMA; (3) promulgate orders, resolutions, policies, and rules necessary for the governance and management of the affairs of the authority and the execution of the powers vested in the authority; (4) maintain offices at a place as the board may designate; (5) employ a director, who may employ and retain necessary staff; (6) establish user classifications; (7) fix and from time to time increase or decrease water rates, fees or other charges for water delivery; and (8) adopt an operating budget.

Section 3 establishes the authority and powers of the regional utility authority. It states that the regional utility authority is a public body politic and corporate. It states that the authority is not subject to the jurisdiction of or approval from the public regulation commission and is not subject to the Public Utility Act. Section 3 further states that the creation of this authority replaces the entity of the same name previously created by a joint powers agreement between the city of Sunland Park and Dona Ana county, and that this authority shall succeed to all of the entity's assets and liabilities and its service area. Finally Section 3 allows the authority to (1) sue and be sued; (2) enter into contracts; (3) borrow money; (4) acquire, dispose of or encumber real and personal property; (5) design, develop, construct, operate, maintain, purchase or contract for water systems and pipelines to connect systems and sources with the authority's customers; (6) be allowed a water use planning period not to exceed forty years and may hold water rights based on a water development plan; (7) have and exercise the power of eminent domain; and (8) construct and maintain works and establish and maintain facilities.

The authority would be subject to the provisions of the Procurement Code; Eminent Domain Code; and limitations imposed by Section 72-1-9 regarding water rights obtained or water rights condemned pursuant to a water development plan.

Finally, the bill sets forth how the authority could issue revenue bonds.

FISCAL IMPLICATIONS

None as drafted.

SIGNIFICANT ISSUES

None.

PERFORMANCE IMPLICATIONS

None.

ADMINISTRATIVE IMPLICATIONS

None.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS

None.