

## **2017 Session Legislation Summary**

### **HB256 (Powdrell-Culbert and Herrell) “Drinking Water System Financing” Chapter 29, Laws of 2017.**

Appropriates \$1.8 million from the Public Project Revolving Fund (PPRF) to the Drinking Water State Revolving Loan Fund (DWSRLF) for expenditure in fiscal year 2018 and subsequent fiscal years to provide state matching funds for federal Safe Drinking Water Act projects. (Federal matching funds totaled \$8.2 million in 2017.)

### **HB268 (Lundstrom and Powdrell-Culbert) “Public Project Revolving Fund Projects” Chapter 50, Laws of 2017.**

Annually authorized by the legislature, this bill authorizes the New Mexico Finance Authority (NMFA) to provide loans from the PPRF to 128 separate projects. The authorization does not guarantee a project will receive a loan. Loans will only be made to those entities/projects that can identify a sufficient repayment source and meet other financial criteria established by the NMFA.

### **SB43 (Cervantes) “Sale of Public Securities by Public Bodies” Chapter 120, Laws of 2017.**

Allows public (governing) bodies to delegate authority to individuals working on behalf of the public body and approve the price at which public securities are sold at the time of sale. Those delegated authority serve in a fiduciary capacity for accountability. This brings New Mexico into conformance with national standards and investor expectations for how public securities are sold and sales approved by public bodies.

### **SB44 (Cervantes) “Water Project Fund Projects” Chapter 22, Laws of 2017.**

Annually authorized by the legislature, this bill authorizes 32 projects to be eligible for funding from the Water Project Fund pursuant to the Water Project Finance Act. The NMFA establishes the terms and conditions of the potential loans and grants awarded from the Water Project Fund as recommended by the Water Trust Board. Water Project Fund projects are funded by an annual distribution of Severance Tax Bond (STB) proceeds. NMFA estimates STB proceeds will be \$10.4 million for FY 2017. NMFA reports that the Water Project Fund is also expected to receive a \$4 million distribution from the Water Trust Fund in FY17 of which 10% goes to the State Engineer for adjudication.