

AN ACT

RELATING TO WATER; PROVIDING WATER BANKING AUTHORITY TO ACEQUIAS  
AND COMMUNITY DITCHES.

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

Section 1. WATER BANKING--ACEQUIAS AND COMMUNITY DITCHES.--An  
acequia or community ditch may establish a water bank for the purpose of temporarily  
reallocating water without change of purpose of use or point of diversion to augment  
the water supplies available for the places of use served by the acequia or community  
ditch. The acequia or community ditch water bank may make temporary transfers of  
place of use without formal proceedings before the state engineer, and water rights  
placed in the acequia or community ditch water bank shall not be subject to loss for  
non-use during the period the rights are placed in the water bank. An acequia or  
community ditch water bank established pursuant to this section is not subject to  
recognition or approval by the interstate stream commission or the state engineer.

Section 2. Section 72-1-2.3 NMSA 1978 (being Laws 2002, Chapter 77,  
Section 1) is amended to read:

"72-1-2.3. LOWER PECOS RIVER BASIN BELOW SUMNER LAKE WATER  
BANK--ACEQUIA AND COMMUNITY DITCH WATER BANKS--INTERSTATE STREAM  
COMMISSION.--

A. The interstate stream commission may recognize a water bank  
established by an irrigation district, a conservancy district, an artesian conservancy  
district, a community ditch, an acequia or a water users association in the lower Pecos  
river basin below Sumner lake for purposes of compliance with the Pecos River

Compact.

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B. The interstate stream commission shall propose and recommend to the state engineer for adoption rules for recognition of a water bank that include:

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(1) criteria, terms and conditions for deposit of a water right in the bank;

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(2) terms and conditions for the accrual, pooling, exchange, assignment and conditions of the deposit of a water right;

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(3) procedures for recording and annual reporting of all transactions to the interstate stream commission and the state engineer; and

(4) procedures for the water bank to temporarily transfer deposited water to new purposes and places of use and points of diversion without formal proceedings before the state engineer.

C. A lower Pecos river basin below Sumner lake water bank may contract with a person to accrue, pool, exchange, assign or lease water rights to facilitate compliance with the Pecos River Compact. A transaction and transfer of water by a water bank in the Pecos river basin shall:

(1) not impair other water rights;

(2) not deplete water in the system above that level that would have occurred in the absence of the transaction;

(3) comply with state law; and

(4) be within the same stream system or underground water source."

Section 3. Section 72-1-2.3 NMSA 1978 (being Laws 2002, Chapter 77, Section 1, as amended) is repealed effective December 31, 2005.

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