AN ACT

RELATING TO THE ENVIRONMENT; AMENDING THE WATER QUALITY ACT TO ELIMINATE DE NOVO HEARINGS TO THE WATER QUALITY CONTROL COMMISSION AND PROVIDE FOR REVIEW BY THE COMMISSION BASED ON THE RECORD OF A PUBLIC HEARING.

- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:
- Section 1. Section 74-6-5 NMSA 1978 (being Laws 1973, Chapter 326, Section 4, as amended) is amended to read:
- "74-6-5. PERMITS--CERTIFICATION--APPEALS TO COMMISSION.--
- A. By regulation, the commission may require persons to obtain from a constituent agency designated by the commission a permit for the discharge of any water contaminant or for the disposal or reuse of septage or sludge.
- B. The commission shall adopt regulations establishing procedures for certifying federal water quality permits.
- C. Prior to the issuance of a permit, the constituent agency may require the submission of plans, specifications and other relevant information that it deems necessary.
- D. The commission shall by regulation set the dates upon which applications for permits shall be filed and designate the time periods within which the constituent agency HB 35 $$\operatorname{Page}\ 1$$

shall, after the filing of an administratively complete application for a permit, either grant the permit, grant the permit subject to conditions or deny the permit.

- E. The constituent agency shall deny any application for a permit or deny the certification of a federal water quality permit if:
- (1) the effluent would not meet applicable state or federal effluent regulations, standards of performance or limitations;
- (2) any provision of the Water Quality Act would be violated;
- (3) the discharge would cause or contribute to water contaminant levels in excess of any state or federal standard. Determination of the discharges' effect on ground water shall be measured at any place of withdrawal of water for present or reasonably foreseeable future use.

Determination of the discharges' effect on surface waters shall be measured at the point of discharge; or

- (4) the applicant has, within the ten years immediately preceding the date of submission of the permit application:
- (a) knowingly misrepresented a material fact in an application for a permit;
- (b) refused or failed to disclose any information required under the Water Quality Act;

- (c) been convicted of a felony or other crime involving moral turpitude;
- (d) been convicted of a felony in any court for any crime defined by state or federal law as being a restraint of trade, price-fixing, bribery or fraud;
- (e) exhibited a history of willful disregard for environmental laws of any state or the United States; or
- (f) had an environmental permit revoked or permanently suspended for cause under any environmental laws of any state or the United States.
- F. The commission shall by regulation develop procedures that ensure that the public, affected governmental agencies and any other state whose water may be affected shall receive notice of each application for issuance, renewal or modification of a permit. Public notice shall include:
- (1) for issuance or modification of a permit:
- (a) notice by mail to adjacent and nearby landowners; local, state and federal governments; land grant organizations; ditch associations; and Indian nations, tribes or pueblos;
- (b) posting at a place conspicuous to the public and near the discharge or proposed discharge site; and

- (c) a display advertisement in English and Spanish in a newspaper of general circulation in the location of the discharge or proposed discharge; provided, however, that the advertisement shall not be displayed in the classified or legal advertisement sections; and
 - (2) for issuance of renewals of permits:
- (a) notice by mail to the interested public, municipalities, counties, land grant organizations, ditch associations and Indian nations, tribes or pueblos; and
- (b) a display advertisement in English and Spanish in a newspaper of general circulation in the location of the discharge; provided, however, that the advertisement shall not be displayed in the classified or legal advertisement sections.
- G. No ruling shall be made on any application for a permit without opportunity for a public hearing at which all interested persons shall be given a reasonable chance to submit evidence, data, views or arguments orally or in writing and to examine witnesses testifying at the hearing. The hearing shall be recorded. Any person submitting evidence, data, views or arguments shall be subject to examination at the hearing.
- H. The commission may adopt regulations for the operation and maintenance of the permitted facility, including requirements, as may be necessary or desirable, that relate to HB 35 Page 4

continuity of operation, personnel training and financial responsibility, including financial responsibility for corrective action.

- I. Permits shall be issued for fixed terms not to exceed five years, except that for new discharges, the term of the permit shall commence on the date the discharge begins, but in no event shall the term of the permit exceed seven years from the date the permit was issued.
- J. By regulation, the commission may impose reasonable conditions upon permits requiring permittees to:
- (1) install, use and maintain effluent monitoring devices;
- (2) sample effluents and receiving waters for any known or suspected water contaminants in accordance with methods and at locations and intervals as may be prescribed by the commission;
- (3) establish and maintain records of the nature and amounts of effluents and the performance of effluent control devices;
- (4) provide any other information relating to the discharge or direct or indirect release of water contaminants; and
- (5) notify a constituent agency of the introduction of new water contaminants from a new source and of a substantial change in volume or character of water

contaminants being introduced from sources in existence at the time of the issuance of the permit.

- K. The commission shall provide by regulation a schedule of fees for permits, not exceeding the estimated cost of investigation and issuance, modification and renewal of permits. Fees collected pursuant to this section shall be deposited in the water quality management fund.
- L. The issuance of a permit does not relieve any person from the responsibility of complying with the provisions of the Water Quality Act, any applicable regulations or water quality standards of the commission or any applicable federal laws, regulations or standards.
- M. A permit may be terminated or modified by the constituent agency that issued the permit prior to its date of expiration for any of the following causes:
- (1) violation of any condition of the permit;
- (2) obtaining the permit by misrepresentation or failure to disclose fully all relevant facts;
- (3) violation of any provisions of the Water Quality Act or any applicable regulations, standard of performance or water quality standards;
- (4) violation of any applicable state or federal effluent regulations or limitations; or

- (5) change in any condition that requires either a temporary or permanent reduction or elimination of the permitted discharge.
- N. If the constituent agency denies, terminates or modifies a permit or grants a permit subject to condition, the constituent agency shall notify the applicant or permittee by certified mail of the action taken and the reasons. Notice shall also be given by mail to persons who participated in the permitting action.
- O. A person who participated in a permitting action before a constituent agency or a person affected by a certification of a federal permit and who is adversely affected by such permitting action or certification may file a petition for review before the commission. Unless a timely petition for review is made, the decision of the constituent agency shall be final and not subject to judicial review. The petition shall:
- (1) be made in writing to the commission within thirty days from the date notice is given of the constituent agency's action;
- (2) include a statement of the issues to be raised and the relief sought; and
- (3) be provided to all other persons submitting evidence, data, views or arguments in the proceeding before the constituent agency.

- P. If a timely petition for review is made, the commission shall consider the petition within ninety days after receipt of the petition. The commission shall notify the petitioner and the applicant or permittee, if other than the petitioner, by certified mail of the date, time and place of the review. If the petitioner is not the applicant or permittee, the applicant or permittee shall be a party to the proceeding. The commission shall ensure that the public receives notice of the date, time and place of the review.
- The commission shall review the record compiled before the constituent agency, including the transcript of any public hearing held on the application or draft permit, and shall allow any party to submit arguments. The commission may designate a hearing officer to review the record and the arguments of the parties and recommend a decision to the commission. The commission shall consider and weigh only the evidence contained in the record before the constituent agency and the recommended decision of the hearing officer, if any, and shall not be bound by the factual findings or legal conclusions of the constituent agency. Based on the review of the evidence, the arguments of the parties and recommendations of the hearing officer, the commission shall sustain, modify or reverse the action of the constituent agency. commission shall enter ultimate findings of fact and conclusions of law and keep a record of the review.

- R. Prior to the date set for review, if a party shows to the satisfaction of the commission that there was no reasonable opportunity to submit comment or evidence on an issue being challenged, the commission shall order that additional comment or evidence be taken by the constituent agency. Based on the additional evidence, the constituent agency may revise the decision and shall promptly file with the commission the additional evidence received and action taken. The commission shall consider the additional evidence within ninety days after receipt of the additional evidence and shall notify the petitioner and the applicant or permittee, if other than the petitioner, of the date, time and place of the review.
- S. The commission shall notify the petitioner and all other participants in the review proceeding of the action taken by the commission and the reasons for that action."_____

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