

AN ACT

RELATING TO FINANCE; EXPANDING THE TYPE OF PROJECTS ELIGIBLE FOR PLANNING GRANTS; REQUIRING GRANTS TO BE REPAID IN CERTAIN INSTANCES; RENAMING THE WATER AND WASTEWATER PLANNING FUND.

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

Section 1. Section 6-21-6.4 NMSA 1978 (being Laws 2002, Chapter 26, Section 2) is amended to read:

"6-21-6.4. LOCAL GOVERNMENT PLANNING FUND--CREATION--ADMINISTRATION--PURPOSES.--

A. The "local government planning fund" is created within the authority, which shall be administered by the authority. The authority shall adopt rules necessary to administer the fund.

B. The following shall be deposited directly into the local government planning fund:

(1) the net proceeds from the sale of bonds issued pursuant to the provisions of Section 6-21-6.1 NMSA 1978 for the purposes of the local government planning fund and payable from the public project revolving fund;

(2) money appropriated by the legislature to implement the provisions of this section; and

(3) any other public or private money dedicated to the fund.

C. Money in the local government planning fund is

appropriated to the authority to make grants to qualified entities to evaluate and to estimate the costs of implementing the most feasible alternatives for meeting water and wastewater public project needs or to develop water conservation plans, long-term master plans or economic development plans and to pay administrative costs of the local government planning program.

D. The authority shall adopt rules governing the terms and conditions of grants made from the local government planning fund. Grants may be made from the fund only with the agreement of the qualified entity to reimburse the fund for the amount of the grant when financing from any source other than the authority is subsequently received by the qualified entity for the public project.

E. The authority may make grants from the local government planning fund to qualified entities without specific authorization by law for each grant."

Section 2. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2005. \_\_\_\_\_