

AN ACT

RELATING TO WATER; PROVIDING FOR PUEBLO LEASE OF ADJUDICATED
WATER RIGHTS FOR A TERM AUTHORIZED BY FEDERAL STATUTE
APPROVING A SETTLEMENT AGREEMENT.

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

SECTION 1. Section 72-6-1 NMSA 1978 (being Laws 1967,
Chapter 100, Section 1) is amended to read:

"72-6-1. SHORT TITLE.--Chapter 72, Article 6 NMSA 1978
may be cited as the "Water-Use Leasing Act"."

SECTION 2. Section 72-6-3 NMSA 1978 (being Laws 1967,
Chapter 100, Section 3, as amended) is amended to read:

"72-6-3. OWNER MAY LEASE USE OF WATER.--

A. An owner may lease to any person all or any
part of the water use due the owner under the owner's water
right, and the owner's water right shall not be affected by
the lease of the use. The use to which the owner is entitled
under the owner's right shall, during the exercise of the
lease, be reduced by the amount of water so leased. Upon
termination of the lease, the water use and location of use
subject to the lease shall revert to the owner's original use
and location of use.

B. The lease may be effective for immediate use of
water or may be effective for future use of the water covered
by the lease; however, the lease shall not be effective to

cumulate water from year to year or to substantially enlarge the use of the water in such manner that it would injure other water users. The lease shall not toll any forfeiture of water rights for nonuse, and the owner shall not, by reason of the lease, escape the forfeiture for nonuse prescribed by law; provided, however, that the state engineer shall notify both the owner and the lessee of declaration of nonuser as provided in Sections 72-5-28 and 72-12-8 NMSA 1978. The initial or any renewal term of a lease of water use shall not exceed ten years, except as provided in Subsections C and D of this section.

C. A water use may be leased for forty years by municipalities, counties, state universities, special water users' associations, public utilities supplying water to municipalities or counties and member-owned community water systems as lessee and shall be entitled to the protection of the forty-year water use planning period as provided in Section 72-1-9 NMSA 1978. A water use deriving from an acequia or community ditch organized pursuant to Chapter 73, Article 2 or 3 NMSA 1978, whether owned by a water right owner under the acequia or community ditch or by the acequia or community ditch, may be leased for a term not to exceed ten years.

D. A water use due under an adjudicated water right secured to a pueblo pursuant to the settlement

agreements approved in Title 5 and Title 6 of the federal Claims Resolution Act of 2010, P.L. No. 111-291, Sections 501-626, or in the partial final judgments and decrees entered pursuant to those settlement agreements, may be leased for a term, including all renewals, not to exceed the term specifically authorized in that act; provided that this subsection shall not apply to any water use due under any state-law based water rights acquired by a pueblo or by the United States on behalf of a pueblo." _____