SENATE BILL 340

53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017

INTRODUCED BY

Howie C. Morales and Sander Rue

AN ACT

RELATING TO WATER; REQUIRING LEGISLATIVE AUTHORIZATION TO EXPEND MONEY FROM THE NEW MEXICO UNIT FUND; REQUIRING AN ECONOMIC BENEFIT REPORT OF THE CONFIGURATION OF A NEW MEXICO UNIT BEFORE MONEY IN THE FUND CAN BE USED TO IMPLEMENT SUCH CONFIGURATION; REQUIRING ADDITIONAL REPORTING ON THE USE, INCOME TO AND EXPENDITURES FROM THE FUND.

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

SECTION 1. Section 72-14-34 NMSA 1978 (being Laws 1973, Chapter 201, Section 4) is amended to read:

"72-14-34. BUDGETS REQUIRED.--The interstate stream commission shall annually prepare and submit a budget in accordance with the provisions of Sections [11-4-1.1 through 11-4-7.8 NMSA 1953] 6-3-1 through 6-3-22 NMSA 1978 covering all funds created or held under the provisions of Sections [75-34-9 .204418.4]
SECTION 2. Section 72-14-45 NMSA 1978 (being Laws 2011, Chapter 99, Section 1) is amended to read:

"72-14-45. NEW MEXICO UNIT FUND--PURPOSE--APPROPRIATION.--

A. The "New Mexico unit fund" is created in the state treasury. The fund shall consist of money distributed to the state pursuant to Paragraphs (2)(D)(i) and (ii) of Section 403(f) of the federal Colorado River Basin Project Act of 1968, as amended by Section 107(a) of the federal Arizona Water Settlements Act, Public Law 108-451, December 10, 2004; other money made available to the fund pursuant to Section 212 of the federal Arizona Water Settlements Act, Public Law 108-451, December 10, 2004; appropriations; grants; and donations or bequests to the fund.

B. Income from the fund shall be credited to the fund. Any unexpended or unencumbered balance remaining in the fund at the end of a fiscal year shall not revert to the general fund. Money in the fund shall not be transferred, other than through an intra-agency transfer, to any other fund.

C. Money in the fund shall be administered by the interstate stream commission and is appropriated to the interstate stream commission for expenditure in fiscal year 2012 and subsequent fiscal years to comply with the provisions.
of the federal laws cited in Subsection A of this section, subject to legislatively authorized capital and operating budgets. Those provisions of federal law establish that the purpose of money in the fund is to pay the costs of the New Mexico unit or other water utilization alternatives to meet water supply demands in the southwest water planning region of New Mexico, as determined by the interstate stream commission in consultation with the southwest New Mexico water study group or its successor, including costs associated with planning and environmental compliance activities and environmental mitigation and restoration. Money in the fund shall not be expended for any purpose other than the purpose provided in this section. The interstate stream commission may adopt rules it deems necessary to carry out the purpose of this section.

D. No money in the fund shall be expended on permitting or implementation of any configuration of a New Mexico unit unless:

(1) the interstate stream commission has determined that a specific configuration of the New Mexico unit is technically feasible;

(2) the interstate stream commission has approved a technical projection of the quantity of new water the New Mexico unit is expected to produce and the intended uses of that water;

(3) the interstate stream commission has
approved an engineering estimate of the costs to implement and
operate the New Mexico unit and a financial implementation plan
to pay those costs; and

(4) the bureau of business and economic
research of the university of New Mexico has issued a report
concluding that the financial implementation plan for the New
Mexico unit may be feasible.

[D. E. ] On or before [November 15] September 1 of
each year, the interstate stream commission shall report to the
appropriate legislative interim committee dealing with water
and natural resources and to the legislative finance committee
on:

(1) the status of the New Mexico unit fund;

(2) the [distribution of money from]
cumulative encumbrances and expenditures and the previous
fiscal year's itemized encumbrances and expenditures of the New
Mexico unit fund to implement the purpose of the fund pursuant
to Subsection C of this section; and

(3) [proposed] the interstate stream
commission's approved or planned uses of the fund and [levels
of funding] itemized projected encumbrances and expenditures
for the [following] current fiscal year and each fiscal year
through exhaustion of the fund.

[E. ] Expenditures from the fund shall be made on
warrants signed by the secretary of finance and administration
pursuant to vouchers signed by the director of the interstate
stream commission upon the delegation of authority by the
interstate stream commission."

- 5 -