

HOUSE AGRICULTURE AND WATER RESOURCES
COMMITTEE SUBSTITUTE FOR
HOUSE BILL 241

55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021

AN ACT

RELATING TO THE WATER PROJECT FUND; PROVIDING THAT TEN PERCENT OF AVAILABLE WATER PROJECT FUNDS BE DEDICATED TO PROJECTS THAT SERVE CERTAIN MUTUAL DOMESTIC WATER ASSOCIATIONS.

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

SECTION 1. Section 72-4A-9 NMSA 1978 (being Laws 2001, Chapter 164, Section 9, as amended) is amended to read:

"72-4A-9. WATER PROJECT FUND--CREATED--PURPOSE.--

A. The "water project fund" is created in the New Mexico finance authority and shall consist of distributions made to the fund from the water trust fund and payments of principal of and interest on loans for approved water projects. The fund shall also consist of any other money appropriated, distributed or otherwise allocated to the fund for the purpose of supporting water projects pursuant to provisions of the

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underscored material = new
[bracketed material] = delete

1 Water Project Finance Act. The fund shall be administered by
2 the authority. Income from investment of the water project
3 fund shall be credited to the fund. Balances in the fund at
4 the end of any fiscal year shall not revert to the general
5 fund. The water project fund may consist of such subaccounts
6 as the authority deems necessary to carry out the purposes of
7 the fund. The authority may establish procedures and adopt
8 rules as required to administer the fund and to recover from
9 the fund costs of administering the fund and originating grants
10 and loans. Ten percent of all water project funds shall be
11 dedicated to the state engineer for water rights adjudications,
12 and twenty percent of the money dedicated for water rights
13 adjudications shall be allocated to the administrative office
14 of the courts for the courts' costs associated with those
15 adjudications. Ten percent of the annual available water
16 project funds shall be dedicated to grants for qualifying water
17 projects that serve mutual domestic water associations. Such
18 grants for mutual domestic water associations shall not require
19 a matching contribution, and mutual domestic water associations
20 shall not be required to be part of an accepted regional water
21 planning area to be eligible. Mutual domestic water
22 association grant recipients shall be required to obtain all
23 requisite state and federal permits and authorizations
24 necessary as part of the grant authorization and may use the
25 grant funds to acquire the required permits if approved.

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