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AN ACT

RELATING TO PUBLIC FINANCE; REQUIRING THE LOCAL GOVERNMENT  
DIVISION OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION TO  
PROVIDE ZERO-INTEREST LOANS TO POLITICAL SUBDIVISIONS OF THE  
STATE FOR PROJECTS TO REPLACE OR REPAIR PUBLIC INFRASTRUCTURE  
DAMAGED BY FIRE, FLOODING OR DEBRIS FLOWS CAUSED BY OR  
STEMMING FROM THE HERMITS PEAK-CALF CANYON FIRE; REQUIRING  
APPROVAL FOR FEDERAL ASSISTANCE FUNDING; REQUIRING  
REIMBURSEMENT CONTRACTS; PROVIDING FOR ENFORCEMENT; MAKING AN  
APPROPRIATION; DECLARING AN EMERGENCY.

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

SECTION 1. TEMPORARY PROVISION--LOANS TO POLITICAL  
SUBDIVISIONS--REPLACEMENT OR REPAIR OF PUBLIC INFRASTRUCTURE  
DAMAGED BY FIRE, FLOODING OR DEBRIS FLOWS--REQUIREMENT FOR  
PUBLIC ASSISTANCE GRANTS--REPORTS.--

A. The local government division of the department  
of finance and administration, in consultation with the  
homeland security and emergency management department, shall  
provide zero-interest reimbursable loans to political  
subdivisions of the state that have been approved for federal  
public assistance funding for projects to replace or repair  
public infrastructure damaged by fire, flooding or debris  
flows caused by or stemming from the Hermits Peak-Calf Canyon  
fire. The local government division shall require a contract

1 for reimbursement from a political subdivision of the state  
2 receiving a loan pursuant to this section. The contract  
3 shall specify:

4 (1) that the political subdivision shall pay  
5 the loan using first dollars received from the approved  
6 federal public assistance funding that serves as the basis  
7 for the loan;

8 (2) the political subdivision shall repay  
9 the loan within thirty days of having received the approved  
10 federal public assistance funding;

11 (3) such notice or reporting requirements  
12 that the local government division deems necessary to be  
13 sufficiently informed regarding compliance with Paragraphs  
14 (1) and (2) this subsection; and

15 (4) that upon failure to meet a requirement  
16 of this subsection, the loan shall be repaid at current  
17 market interest rates.

18 B. All loan repayments made pursuant to this  
19 section shall be deposited into the general fund.

20 C. The secretary of finance and administration  
21 shall take any and all legal actions necessary to enforce the  
22 terms of contracts entered into pursuant to this section.

23 D. On or before April 1, 2023, and every three  
24 months thereafter, the local government division shall  
25 provide a report to the legislative finance committee and the

1 governor regarding the loans made pursuant to this section,  
2 including: the projects for which loan contracts have been  
3 made, the dollar amounts of those contracts, the repayments  
4 made pursuant to contracts, any breaches of contract and  
5 subsequent enforcement actions pursuant to this section.  
6 Reports pursuant to this subsection shall cease upon the  
7 final repayment on a contract pursuant to this section.

8 SECTION 2. APPROPRIATION.--

9 A. One hundred million dollars (\$100,000,000) is  
10 appropriated from the general fund to the local government  
11 division of the department of finance and administration for  
12 expenditure in fiscal years 2023 and 2024 for the following  
13 purposes:

14 (1) two hundred fifty thousand dollars  
15 (\$250,000) shall be used for issuance of loans and  
16 administration and enforcement of loan contracts entered into  
17 pursuant to Section 1 of this act; and

18 (2) ninety-nine million seven hundred fifty  
19 thousand dollars (\$99,750,000) shall be used to provide loans  
20 pursuant to Section 1 of this act.

21 B. Any unexpended or unencumbered balance  
22 remaining at the end of fiscal year 2024 shall revert to the  
23 general fund.

24 SECTION 3. EMERGENCY.--It is necessary for the public  
25 peace, health and safety that this act take effect

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