

LFC Requester:

Gaussoin

**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

AgencyAnalysis.nmlegis.gov

{Analysis must be uploaded as a PDF}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original **Amendment**
Correction **Substitute**

Date January 24, 2024

Bill No: HB201

Sponsor: Herrera
Short Water Project Fund
Title: _____

Agency Name and Code Municipal League - ML
Number: _____
Person Writing Alison Nichols
Phone: 505-470-3931 **Email** anichols@nmml.org

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

FISCAL IMPLICATIONS

HB201 appropriates \$150 million from the general fund to the water project fund to fund water projects around the state.

SIGNIFICANT ISSUES

The Municipal League supports investments in water projects for local communities. The Water Trust Board received a significant volume of applications for FY25, many from municipalities. Currently, there is not enough money available in the Water Project Fund to award to all the vetted projects - the Water Trust Board will only be able to fund approximately half of the vetted projects, leaving over 30 eligible projects totaling over \$143 million without funding. Importantly, all these projects have been vetted and met WTB requirements, meaning significant work has already been done to ensure these projects could move ahead if they received funding.

Many of the projects that would be unlikely to receive funding without the additional \$150 million appropriation in HB201 are critical for community health and safety, including replacement of leaking waterlines in Ruidoso, construction of a new well in Espanola, and new storage tanks in Eunice.