

HOUSE BILL 301

56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024

INTRODUCED BY

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This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

AN ACT

RELATING TO WATER; CREATING THE FUTURE WATER TRUST FUND;  
CREATING THE FUTURE WATER PROJECT FUND; INCLUDING THE FUTURE  
WATER TRUST FUND IN THE PERMANENT FUNDS INVESTED BY THE STATE  
INVESTMENT COUNCIL; MAKING AN APPROPRIATION.

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

SECTION 1. Section 6-8-1 NMSA 1978 (being Laws 1957,  
Chapter 179, Section 1, as amended) is amended to read:

.226474.1AIC February 12, 2024 (8:56pm)

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"6-8-1. DEFINITIONS.--As used in Chapter 6, Article 8

NMSA 1978:

A. "council" means the state investment council;

B. "department" means the department of finance and administration;

C. "land grant permanent funds" means the permanent school fund established by Article 12, Section 2 of the constitution of New Mexico and all other permanent funds derived from lands granted or confirmed to the state by the act of congress of June 20, 1910, entitled "An Act To enable the people of New Mexico to form a constitution and state government and be admitted into the Union on an equal footing with the original States...";

D. "permanent funds" means the land grant permanent funds, rural libraries endowment fund, severance tax permanent fund, tobacco settlement permanent fund, conservation legacy permanent fund, future water trust fund and water trust fund;

E. "secretary" means the secretary of finance and administration;

F. "severance tax permanent fund" means the fund established by Article 8, Section 10 of the constitution of New Mexico;

G. "tobacco settlement permanent fund" means the fund established by Section 6-4-9 NMSA 1978; and

H. "water trust fund" means the fund established by

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Article 16, Section 6 of the constitution of New Mexico."

SECTION 2. A new section of Chapter 75, Article 12 NMSA 1978 is enacted to read:

"[NEW MATERIAL] FUTURE WATER TRUST FUND--CREATED-- INVESTMENT--DISTRIBUTION.--

A. The "future water trust fund" is created as a nonreverting fund in the state treasury. The fund consists of distributions, appropriations, gifts, grants, donations and income from investment of the fund. Money in the fund shall be invested by the state investment officer with the same risk and return profile as land grant permanent funds are invested pursuant to Chapter 6, Article 8 NMSA 1978. Earnings from investment of the fund shall be credited to the fund. Money in the fund shall be expended only as provided in this section.

B. Money in the fund is subject to appropriation by the legislature. The legislature may appropriate any investment income in the fund H AFC →from the previous fiscal year← H AFC to the future water project fund."

SECTION 3. A new section of Chapter 75, Article 12 NMSA 1978 is enacted to read:

"[NEW MATERIAL] FUTURE WATER PROJECT FUND--CREATED-- PURPOSE.--

A. The "future water project fund" is created as a nonreverting fund in the state treasury. The fund consists of distributions, appropriations, gifts, grants, donations and

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income from investment of the fund.

B. The office of the state engineer shall administer the fund H AFC → , ← H AFC H AFC → . ← H AFC H AFC → and money in the fund is appropriated to the office of the state engineer ← H AFC H AFC → Money in the fund is subject to appropriation by the legislature ← H AFC to:

- (1) purchase water rights from outside the state;
- (2) conduct studies on and advocate for projects for the delivery of water to New Mexico from outside the state; and
- (3) fund projects in New Mexico for delivery of water that comes from outside the state.

C. Disbursements from the fund shall be made by warrant of the secretary of finance and administration pursuant to vouchers signed by the state engineer or the state engineer's authorized representative."