

LFC Requester:

Davidson

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

[AgencyAnalysis.nmlegis.gov](https://www.legis.state.nm.us/AgencyAnalysis.nmlegis.gov) and email to billanalysis@dfa.nm.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}*Date Prepared: 2/13/25

Check all that apply:

Bill Number: HB390Original Correction Amendment Substitute Sponsor: Martin R. ZamoraAgency Name
and CodeNew Mexico Environmental
Department 667Short Title: Curry County Water Lines

Number:

Person Writing Jonas ArmstrongTitle: FundingPhone: 505-670-9050 Email: Jonas.Armstrong2@env.nm.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
	\$12,000	Nonrecurring	General Fund

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates: 2025 SB339; Relates to: 2025 *HB206

Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: HB390 appropriates \$12 million (GF) to the Department of Environment to use in FYs 2026 through 2028 to plan, design, construct, replace, and improve water lines in Curry County.

FISCAL IMPLICATIONS

HB390 appropriates \$12 million from the general fund to the New Mexico Environment Department (NMED) for planning, design, and construction of water line improvements in Curry County. NMED would award this funding through a procurement process.

SIGNIFICANT ISSUES

None.

PERFORMANCE IMPLICATIONS

NMED regulates public drinking water systems across New Mexico. HB390 provides funding to improve water infrastructure in Curry County to protect residents from toxic forever chemicals, known as PFAS, that the U.S. Department of Defense has failed to address.

ADMINISTRATIVE IMPLICATIONS

NMED currently lacks the administrative and technical capacity to directly manage large-scale infrastructure projects, such as the planning, design, and construction of water system improvements. The department is not structured for direct project management of drinking water infrastructure. Additionally, since NMED serves as the regulatory authority for public water systems, taking on responsibilities related to project implementation could create a conflict with its regulatory oversight role.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None identified.

TECHNICAL ISSUES

None identified.

OTHER SUBSTANTIVE ISSUES

If HB390 is enacted, NMED would need to issue a request for proposals. Additionally, significant infrastructure funding is available through the Drinking Water State Revolving Fund (DWSRF) and Bipartisan Infrastructure Law (BIL). Encouraging the use of existing federal funding sources could reduce reliance on state resources while ensuring that communities within Curry County receive safe and reliable drinking water.

ALTERNATIVES

The funding in HB390 could be provided directly to Curry County or the appropriate local public water system, with additional funding allocated to NMED for oversight and administrative support. A similar approach was taken with the grant to the Eastern New Mexico Water Utility Authority for the Eastern New Mexico Rural Water System, which included funding for NMED

to manage and oversee the project.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If HB390, SB339, or the authorization provision in *HB206 is not enacted, Curry County will not receive \$12 million in state funding to improve its water infrastructure. Without this funding, necessary upgrades to the water system may be delayed.

AMENDMENTS

None identified.