

HOUSE BILL 289

**57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

INTRODUCED BY

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AN ACT

RELATING TO GEOTHERMAL RESOURCES; AMENDING THE PROVISIONS OF  
THE GEOTHERMAL PROJECTS DEVELOPMENT FUND; MAKING AN  
APPROPRIATION.

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

**SECTION 1.** Section 71-9-12 NMSA 1978 (being Laws 2024,  
Chapter 55, Section 4) is amended to read:

"71-9-12. GEOTHERMAL PROJECTS DEVELOPMENT FUND CREATED--  
STUDY GRANTS--PROJECT GRANTS--ANNUAL REPORT.--

A. The "geothermal projects development fund" is  
created in the state treasury. The fund consists of  
appropriations, income from investment of the fund and any  
other money distributed or otherwise allocated to the fund.  
Balances in the fund at the end of any fiscal year shall not  
revert to the general fund. The division shall administer the

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1 fund. Money in the fund is subject to appropriation by the  
2 legislature.

3 B. Money in the geothermal projects development  
4 fund may be used to make grants of up to two hundred fifty  
5 thousand dollars (\$250,000) for the purposes of studying the  
6 costs and benefits of a proposed geothermal development project  
7 as approved by the secretary of energy, minerals and natural  
8 resources.

9 C. Money in the geothermal projects development  
10 fund may be used to provide grants for financing a geothermal  
11 development project approved by the secretary of energy,  
12 minerals and natural resources.

13 D. Except as provided in Subsection E of this  
14 section, money in the geothermal projects development fund may  
15 be used pursuant to Subsections B and C of this section only  
16 for grants to a political subdivision of the state, ~~[or to]~~ a  
17 state university or other entities that participate in a  
18 competitive bidding process conducted in accordance with the  
19 Procurement Code, for a geothermal development project.

20 E. Money in the geothermal projects development  
21 fund may be used for grants to an Indian nation, tribe or  
22 pueblo for the development of a geothermal development project  
23 only if the grant application is approved by the secretary of  
24 energy, minerals and natural resources.

25 F. Geothermal development projects approved for a

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1 grant by the secretary of energy, minerals and natural  
2 resources under this section shall not be exempt from any  
3 required permits or permissions under New Mexico or United  
4 States law.

5 G. Money in the geothermal projects development  
6 fund may be used for administrative and reimbursable costs  
7 incurred by the energy, minerals and natural resources  
8 department.

9 H. Disbursements from the geothermal projects  
10 development fund shall be made by warrant of the secretary of  
11 finance and administration pursuant to vouchers signed by the  
12 secretary of energy, minerals and natural resources or the  
13 secretary's authorized representative.

14 I. By December 1, 2024, and by December 1 of each  
15 year thereafter, the secretary of energy, minerals and natural  
16 resources shall provide a report to the governor, the  
17 legislative finance committee and the library of the  
18 legislative council service regarding:

19 (1) grants approved by the secretary pursuant  
20 to Subsections B and C of this section;

21 (2) the status of studies funded in part by  
22 grants made pursuant to Subsection B of this section;

23 (3) the status of projects funded in part by  
24 grants made pursuant to Subsection C of this section;

25 (4) money used for administrative and

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1 reimbursable costs pursuant to Subsection G of this section;  
2 and

3 (5) the status of the geothermal projects  
4 development fund."

5 SECTION 2. APPROPRIATION.--Twenty million dollars  
6 (\$20,000,000) is appropriated from the general fund to the  
7 geothermal projects development fund for expenditure in fiscal  
8 year 2026 and subsequent fiscal years. Any unexpended or  
9 unencumbered balance remaining at the end of a fiscal year  
10 shall not revert to the general fund.