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SENATE BILL 273

46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003

INTRODUCED BY

Roman M. Maes III

AN ACT

**RELATING TO PUBLIC FINANCE; INCREASING THE AMOUNT OF GRANTS
THAT MAY BE MADE FROM THE WATER AND WASTEWATER PROJECT GRANT
FUND; AMENDING A SECTION OF THE NMSA 1978.**

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

**Section 1. Section 6-21-6.3 NMSA 1978 (being Laws 1999,
Chapter 186, Section 2, as amended) is amended to read:**

**"6-21-6.3. WATER AND WASTEWATER PROJECT GRANT FUND--
CREATION-- ADMINISTRATION-- PURPOSES. --**

**A. There is created in the authority the "water and
wastewater project grant fund", which shall be administered by
the authority. The authority shall adopt, in accordance with
the New Mexico Finance Authority Act, rules necessary to
administer the fund.**

B. The following shall be deposited directly into

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1 the water and wastewater project grant fund:

2 (1) the net proceeds from the sale of bonds
3 issued pursuant to the provisions of Section 6-21-6.1 NMSA 1978
4 for the purposes of the water and wastewater project grant fund
5 and payable from the public project revolving fund;

6 (2) money appropriated by the legislature to
7 implement the provisions of this section; and

8 (3) any other public or private money
9 dedicated to the fund.

10 C. Money in the water and wastewater project grant
11 fund is appropriated to the authority to make grants to
12 qualified entities for water or wastewater public projects
13 pursuant to specific authorization by law for each project and
14 to pay administrative costs of the water and wastewater project
15 grant program.

16 D. The authority shall adopt rules governing the
17 terms and conditions of grants made from the water and
18 wastewater project grant fund. Except in the circumstances set
19 forth in Subsection F of this section, grants may be made from
20 the fund only with participation from the qualified entity in
21 the form of a local match, which shall be determined by a
22 sliding scale based on the qualified entity's financial
23 capacity to pay a portion of the project from local resources.
24 Grants from the water and wastewater project grant fund may be
25 made only as all or part of financing for a complete project

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1 after the authority has determined that the financing for the
2 complete project is cost effective.

3 E. The authority may make grants from the water and
4 wastewater project grant fund to qualified entities for
5 emergency public projects without specific authorization by
6 law. Each emergency public project shall be designated as such
7 by the authority prior to making the grant. The aggregate
8 amount of grants for emergency public projects in [~~any one~~
9 ~~fiscal year shall not exceed three million dollars~~
10 ~~(\$3,000,000)] fiscal years 2004, 2005 and 2006 shall not exceed
11 five million dollars (\$5,000,000) for each fiscal year. The
12 aggregate amount of grants for emergency public projects in
13 fiscal year 2007 and subsequent fiscal years shall not exceed
14 three million dollars (\$3,000,000) for each fiscal year.~~

15 F. To encourage consolidation of water or
16 wastewater systems and to discourage proliferation of multiple
17 water or wastewater systems, the authority may determine the
18 local match requirement based on the financial capacity of:

19 (1) the residents of the geographic area
20 benefiting from the improvements to be financed with the
21 proceeds of the grant received on their behalf by the qualified
22 entity; or

23 (2) the qualified entity benefiting from the
24 improvements to be financed with the proceeds of the grant when
25 the benefiting qualified entity agrees to consolidate with the

1 qualified entity receiving the grant. "

2 Section 2. EFFECTIVE DATE. --The effective date of the
3 provisions of this act is July 1, 2003.

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