

HOUSE ENERGY AND NATURAL RESOURCES COMMITTEE SUBSTITUTE FOR
HOUSE BILL 1110

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

AN ACT

RELATING TO THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE;
PROVIDING THAT TEN PERCENT OF THE WATER PROJECT FUND BE
DEDICATED TO WATER RIGHTS ADJUDICATIONS.

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

Section 1. Section 72-4A-9 NMSA 1978 (being Laws 2001,
Chapter 164, Section 9) is amended to read:

"72-4A-9. WATER PROJECT FUND--CREATED--PURPOSE.--

A. The "water project fund" is created in the New
Mexico finance authority and shall consist of distributions
made to the fund from the water trust fund and payments of
principal of and interest on loans for approved water projects.
The fund shall also consist of any other money appropriated,
distributed or otherwise allocated to the fund for the purpose
of supporting water projects pursuant to provisions of the

.156697.1

1 Water Project Finance Act. The fund shall be administered by
2 the authority. Income from investment of the water project
3 fund shall be credited to the fund. Balances in the fund at
4 the end of any fiscal year shall not revert to the general
5 fund. The water project fund may consist of such subaccounts
6 as the authority deems necessary to carry out the purposes of
7 the fund. The authority may establish procedures and adopt
8 rules as required to administer the fund and to recover from
9 the fund costs of administering the fund and originating grants
10 and loans. Ten percent of all water project funds shall be
11 dedicated to water rights adjudications.

12 B. Money in the water project fund may be used to
13 make loans or grants to qualified entities for any project
14 approved by the legislature and for water rights adjudications.

15 C. The authority is authorized to issue revenue
16 bonds payable from the proceeds of loan repayments made into
17 the water project fund upon a determination by the authority
18 that issuance of the bonds is necessary to replenish the
19 principal balance of the fund. The net proceeds from the sale
20 of the bonds shall be deposited in the water project fund. The
21 bonds shall be authorized and issued by the authority in
22 accordance with the provisions of the New Mexico Finance
23 Authority Act."