

LFC Requester:

Cally Carswell

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO****[AgencyAnalysis.nmlegis.gov](https://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:** 3/6/2025*Check all that apply:***Bill Number:** HB 206Original ☒ Correction ☒Amendment ☐ Substitute ☐**Sponsor:** Reps. Susan K. Herrera,
Patricia A. Lundstrom,
Raymundo Lara, Kristina Ortiz,
& Martin R. Zamora**Agency Name
and Code
Number:**Office of the State Engineer
550**Person Writing
Analysis:**Uday V. Joshi**Short
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7405**Email**: Uday.Joshi@ose.nm.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
NFI	NFI	NA	NA

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
NFI	NFI	NFI	NA	NA

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
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Total	NFI	NFI	NFI	NFI	NA	NA
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(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: None known

Duplicates/Relates to Appropriation in the General Appropriation Act: None known

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

Section 1 of HB 206 would authorize the New Mexico Finance Authority to make loans or grants to qualifying entities from the Water Project Fund pursuant to the Water Project Finance Act, §72-4A-9, NMSA, 1978 for 84 qualifying water projects on terms and conditions as established by the New Mexico Finance Authority and the Water Trust Board. The projects were fully evaluated by a technical team from seven agencies using criteria and policies established by the Water Trust Board.

Section 2 would declare an emergency such that the act takes effect immediately.

FISCAL IMPLICATIONS

The 84 projects contained in this bill will cost approximately \$158.8 million from the water project fund. Since this will come from existing monies in the fund, this is not listed as an “appropriation” above.

SIGNIFICANT ISSUES

None identified

PERFORMANCE IMPLICATIONS

None identified

ADMINISTRATIVE IMPLICATIONS

None identified

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None identified

TECHNICAL ISSUES

None identified

OTHER SUBSTANTIVE ISSUES

None identified

ALTERNATIVES

None identified

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The 84 qualifying water projects being contemplated under HB 206 could not be funded through loans or grants from the Water Project Fund.

AMENDMENTS

None identified