

Analyst: Laird Graeser

## 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](mailto:billanalysis@dfa.nm.gov)**  
***(Analysis must be uploaded as a PDF)***

### **SECTION I: GENERAL INFORMATION**

#### ***Last Amendment***

**Date Prepared:** 3/14/2025

**Bill Number:** SB 374

**Sponsor:** Campos, B. Gonzales, Jaramillo

**Short Title:** LAND GRANT-MERCED & ACEQUIA INFRASTRUCTURE

**Agency Name and Code Number:** NM Indian Affairs Dept 60900

**Person Writing:** Amanda Nezzie

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### **Section II: FISCAL IMPACT**

#### **APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
\$0	Unknown	Recurring	Multiple

(Parenthesis ( ) indicate expenditure decreases)

#### **REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
\$0	Unknown	Unknown	Recurring	Agency GF

(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	\$0	Unknown	Unknown	Unknown	Recurring	Agency GF
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(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
Duplicates/Relates to Appropriation in the General Appropriation Act

### **SECTION III: NARRATIVE**

#### **BILL SUMMARY**

##### Synopsis:

This bill creates the Land Grant-Merced and Acequia Infrastructure Act, setting up two funds to help pay for infrastructure projects in land grants-mercedes and acequias in New Mexico.

A trust fund will be created and invested, with annual payouts going to two project funds. The Land Grant Council will manage funding for land grants-mercedes, while the Interstate Stream Commission will handle funding for acequias.

Money from these funds can be used for water and wastewater systems, electrical lines, roads, health facilities, irrigation works, and flood protection. The bill also sets aside part of the state's severance tax bond funds for these projects.

Each year, reports on spending and progress must be given to the legislature. Projects must be approved by the Land Grant Council or Interstate Stream Commission, following rules made with the Department of Finance and Administration.

Amendment Synopsis: The amendment increases the severance tax bonding capacity distribution to the tribal infrastructure fund (TIF) from 4.5% to 6.5%.

#### **FISCAL IMPLICATIONS**

Amendment Implications: By increasing the STB allocation to the TIF by 2%, the amended bill would create more capacity for tribal projects through TIF. Based on the LFC FIR, revenue to TIF would increase by \$36 million in FY26, \$36.9 million in FY27, and so forth. The 2% increase to the STB allocation represents a 44% increase in funding for TIF, which should result in a larger number of projects awarded and managed by the NM Indian Affairs Department.

#### **SIGNIFICANT ISSUES**

Amendment Implications: NM Indian Affairs supports additional funding for nations, pueblos, and tribes, and the increase in Tribal Infrastructure Funds from 4.5% to 6.5% would result in more resources for tribal infrastructure.

#### **PERFORMANCE IMPLICATIONS**

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## **ADMINISTRATIVE IMPLICATIONS**

Amendment Implications: As NM Indian Affairs would be administering more funds through TIF, it likely would require additional administrative capacity.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

## **TECHNICAL ISSUES**

## **OTHER SUBSTANTIVE ISSUES**

## **ALTERNATIVES**

## **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

## **AMENDMENTS**