

SENATE BILL

57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

INTRODUCED BY

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AN ACT

RELATING TO AVIATION; CREATING THE UNLEADED AVIATION FUEL GRANT
PROGRAM; CREATING A FUND; MAKING APPROPRIATIONS.

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

SECTION 1. [NEW MATERIAL] UNLEADED AVIATION FUEL GRANT
PROGRAM.--

A. The "unleaded aviation fuel grant program" is
created in the department of transportation to be administered
by the aviation division of the department.

B. Subject to the availability of funds,
competitive grants not to exceed two hundred thousand dollars
(\$200,000) each may be awarded to eligible applicants for the
sole purpose of installing an unleaded aviation fuel dispensing
system or otherwise providing unleaded aviation fuel at a
publicly owned airport in New Mexico that does not already have

1 an unleaded aviation fuel dispensing system or otherwise
2 provide unleaded aviation fuel.

3 C. Only publicly owned airports, political
4 subdivisions of the state and Indian nations, tribes and
5 pueblos may apply for and be awarded an unleaded aviation fuel
6 grant.

7 D. The aviation division shall award grants to
8 eligible applicants through a competitive process and based
9 upon eligibility requirements as determined by the division.
10 The division shall establish grant reporting requirements that
11 ensure that grantees use money awarded pursuant to this section
12 within a reasonably prompt time frame to install an unleaded
13 aviation fuel dispensing system or otherwise provide unleaded
14 aviation fuel at a publicly owned airport in New Mexico.

15 E. As used in this section, "unleaded aviation
16 fuel" means alcohol-free gasoline used in aircraft that has no
17 more than one thousandth of one gram of lead per gallon.

18 SECTION 2. [NEW MATERIAL] UNLEADED AVIATION FUEL GRANT
19 PROGRAM FUND.--The "unleaded aviation fuel grant program fund"
20 is created as a nonreverting fund in the state treasury. The
21 fund consists of distributions, appropriations, gifts, grants,
22 donations and income from investment of the fund. The
23 department of transportation shall administer the fund. Money
24 in the fund is appropriated to the department of transportation
25 to administer and carry out the provisions of the unleaded

.232956.1

1 aviation fuel grant program pursuant to Section 1 of this 2026
2 act. Disbursements from the fund shall be by warrant of the
3 secretary of finance and administration pursuant to vouchers
4 signed by the secretary of transportation or the secretary's
5 authorized representative.

6 SECTION 3. APPROPRIATION.--Five million dollars
7 (\$5,000,000) is appropriated from the general fund to the
8 unleaded aviation fuel grant program fund for expenditure in
9 fiscal year 2027 and subsequent fiscal years for the purposes
10 of the fund. Any unexpended balance remaining at the end of a
11 fiscal year shall not revert to the general fund.

12 SECTION 4. EFFECTIVE DATE.--The effective date of the
13 provisions of this act is July 1, 2026.

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