

1 AN ACT

2 RELATING TO WATER; AMENDING THE NEW MEXICO UNIT FUND;  
3 DIRECTING THE INTERSTATE STREAM COMMISSION TO CONSULT WITH  
4 THE WATER TRUST BOARD ON FUNDING WATER UTILIZATION PROJECTS  
5 IN THE SOUTHWEST WATER PLANNING REGION OF NEW MEXICO;  
6 DIRECTING THE WATER TRUST BOARD TO EVALUATE AND RECOMMEND  
7 PROJECTS TO THE INTERSTATE STREAM COMMISSION; DISALLOWING THE  
8 USE OF FUNDS FOR THE NEW MEXICO UNIT.

9  
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

11 SECTION 1. Section 72-14-45 NMSA 1978 (being Laws 2011,  
12 Chapter 99, Section 1) is amended to read:

13 "72-14-45. NEW MEXICO UNIT FUND--PURPOSE--  
14 APPROPRIATION.--

15 A. The "New Mexico unit fund" is created in the  
16 state treasury. The fund shall consist of money distributed  
17 to the state pursuant to Paragraphs (2)(D)(I) and (ii) of  
18 Section 403(f) of the federal Colorado River Basin Project  
19 Act of 1968, as amended by Section 107(a) of the federal  
20 Arizona Water Settlements Act, Public Law 108-451, December  
21 10, 2004; other money made available to the fund pursuant to  
22 Section 212 of the federal Arizona Water Settlements Act,  
23 Public Law 108-451, December 10, 2004; appropriations;  
24 grants; and donations or bequests to the fund.

25 B. Income from the fund shall be credited to the

1 fund. Any unexpended or unencumbered balance remaining in  
2 the fund at the end of a fiscal year shall not revert to the  
3 general fund. Money in the fund shall not be transferred,  
4 other than through an intra-agency transfer, to any other  
5 fund.

6 C. Money in the fund shall be administered by the  
7 interstate stream commission and is appropriated to the  
8 interstate stream commission for expenditure in fiscal year  
9 2012 and subsequent fiscal years to comply with the  
10 provisions of the federal laws cited in Subsection A of this  
11 section. Money in the fund shall be used to pay the costs of  
12 water utilization projects to meet water supply demands in  
13 the southwest water planning region of New Mexico that  
14 encompasses Catron, Grant, Hidalgo and Luna counties, as  
15 determined by the interstate stream commission in  
16 consultation with the water trust board, which shall be the  
17 successor to the southwest New Mexico water study group.  
18 Money in the fund shall not be used to evaluate, plan or  
19 construct the New Mexico unit. The water trust board shall  
20 evaluate projects, including their environmental impacts,  
21 proposed within the southwest water planning region of New  
22 Mexico and shall recommend projects to the interstate stream  
23 commission, which shall have final decision-making authority  
24 over which projects are funded. Money in the fund shall not  
25 be expended for any purpose other than the purpose provided

1 in this section. The interstate stream commission may adopt  
2 rules it deems necessary to carry out the purpose of this  
3 section.

4 D. On or before November 15 of each year, the  
5 interstate stream commission shall report to the appropriate  
6 legislative interim committee dealing with water and natural  
7 resources and to the legislative finance committee on:

8 (1) the status of the New Mexico unit fund;

9 (2) the distribution of money from the New  
10 Mexico unit fund to implement the purpose of the fund  
11 pursuant to Subsection C of this section; and

12 (3) proposed uses and levels of funding  
13 projected for the following fiscal year.

14 E. Expenditures from the fund shall be made on  
15 warrants signed by the secretary of finance and  
16 administration pursuant to vouchers signed by the director of  
17 the interstate stream commission upon the delegation of  
18 authority by the interstate stream commission."

19 **SECTION 2.** Section 72-4A-5 NMSA 1978 (being Laws 2001,  
20 Chapter 164, Section 5, as amended) is amended to read:

21 "72-4A-5. BOARD--DUTIES.--The board shall:

22 A. adopt rules governing terms and conditions of  
23 grants or loans recommended by the board for appropriation by  
24 the legislature from the water project fund, giving priority  
25 to projects that have been identified as being urgent to meet

1 the needs of a regional water planning area that has a  
2 completed regional water plan that has been accepted by the  
3 interstate stream commission; that have matching  
4 contributions from federal or local funding sources  
5 available; and that have obtained all requisite state and  
6 federal permits and authorizations necessary to initiate the  
7 project;

8 B. authorize qualifying water projects to the  
9 authority that are for:

10 (1) storage, conveyance or delivery of water  
11 to end users;

12 (2) implementation of federal Endangered  
13 Species Act of 1973 collaborative programs;

14 (3) restoration and management of  
15 watersheds;

16 (4) flood prevention; or

17 (5) water conservation or recycling,  
18 treatment or reuse of water as provided by law;

19 C. create a drought strike team to coordinate  
20 responses to emergency water shortages caused by drought  
21 conditions; and

22 D. evaluate projects, including their  
23 environmental impacts, and recommend projects to the  
24 interstate stream commission pursuant to the provisions of  
25 Section 72-14-45 NMSA 1978."