

2026 New Mexico Legislative Session



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Climate and Energy Legislation of Tribal Interest
Working Overview

Updated: 2/13/26

Bill Overview

Bill No.	Bill Name	Support/ Oppose	Priority Level	Status	Overview
CLIMATE AND ENVIRONMENT					
SB 18	Clear Horizons & Greenhouse Gas Emissions	Support ▾	High ▾	Ref: SCC/SCONC/STBTC - Passed SCONC 2/3 - Passed STBTC 2/9 - Failed Senate Floor 2/11 (Y:19 , N:23)	Formalizes the state’s emissions target of net zero by 2050, regulates emissions monitoring, enforcement, and assessment, and provides other important clarifications for NM’s climate goals.
SB 235	Microgrid Oversight Act	Support ▾	High ▾	Ref: - Sent to SCC - Referrals: SCC/SCONC/STBTC - SCC: Reported by committee to fall within the purview of a 30 day session - Passed SCONC	Requires the Public Regulation Commission to publicize a rule creating a renewable portfolio standard for microgrids. This would require annual microgrid reportings and would prohibit public utility rate increases to cover the costs associated with microgrid infrastructure development.

Bill No.	Bill Name	Support/ Oppose	Priority Level	Status	Overview
				with committee substitute	
HJR 3	The Green Amendment	Support ▾	Medium ▾	Ref: HENRC/HJC - Tabled in HENRC 1/29	Proposes a constitutional amendment to add an environmental rights guarantee to Article II of the New Mexico Constitution, affirming that all people have the right to clean and healthy air, water, soil, environments, healthy flora and fauna, a stable climate, and thriving ecosystems. It would also require the state, counties, and municipalities to act as trustees of the state’s natural resources for the benefit of current and future generations, and directs that this amendment be submitted to voters for approval.
SB 66	Uranium Mine Cleanup	Support ▾	High ▾	Ref: SCC/SCONC/SFC - SCC: Reported by committee to fall within the purview of a 30 day session - Passed SCONC on 1/29	Appropriates \$50 million to the New Mexico Environment Department over fiscal years 2027–2029 to assess and clean up abandoned or neglected contaminated sites, including abandoned uranium mining sites, where no responsible party exists to fund or perform the cleanup.
ENERGY					
SM 9	Study State Purchase of Utilities	Support ▾	Medium ▾	Ref: SRC/SFC	Requests that the New Mexico

Bill No.	Bill Name	Support/ Oppose	Priority Level	Status	Overview
					Legislative Finance Committee study whether one or more state investment funds should purchase an equity stake in major investor-owned utilities, specifically the New Mexico Gas Company and TXNM Energy (parent company of PNM), in light of pending private equity acquisition proposals.
HM 6	A Memorial to Study Private Equity Infrastructure Ownership and the Alternative, a Once in-a-Generation Opportunity to Invest in Our Own Energy Future	Support ▾	High ▾	Sent to HPREF - Referrals: HPREF	HM 6, a memorial to study Private Equity Infrastructure Ownership introduced in the 2026 New Mexico Legislature calls for a temporary pause on proposed private-equity acquisitions of the state’s electric and gas utilities—not to halt progress, but to study the potential to unlock a transformative investment opportunity for New Mexico that could generate long-term revenue, stabilize rates, and position the state as a clean-energy powerhouse for the Southwest.
SB 39	Oversight Data for Microgrids	Support ▾	High ▾	Ref: SCC/SCONC/STBTC - Scheduled for Senate Conversation 2/12	Grants the Public Regulation Commission authority to regulate large microgrids, collect oversight fees, and require compliance with new renewable energy standards. The bill establishes a microgrid renewable portfolio standard requiring at least 40% renewable energy by 2026–2028,

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					50% by 2030, 80% by 2040, and 100% zero-carbon energy by 2045, along with annual reporting on energy generation and water use. It also prohibits utility rate increases tied to buying or selling power with microgrids and limits PRC approval of utility acquisitions if they would harm ratepayers.
SB 78	Nuclear Energy as Renewable Energy	Oppose ▾	High ▾	Ref: SCC/SCONC/STBTC - Tabled	Proposes to add nuclear energy to the list of energy sources that qualify under the Renewable Energy Portfolio Standard for both public utilities and rural electric cooperatives. The bill expands the statutory definition of “renewable energy resource” to include electricity generated from nuclear facilities that do not emit carbon dioxide or other greenhouse gases during generation. If enacted, SB 78 would require utilities to count eligible nuclear power toward their mandated renewable energy targets under state law.
SB 109	Abandoned Utility Transition Cost Recovery	Support ▾	High ▾	Ref: SCC/SCONC/STBTC	Amends state utility law to specify that a qualifying utility that is abandoning or has abandoned a qualifying generating facility is ineligible to recover energy transition costs through energy

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					transition bonds if it constructs new natural gas resources. It prohibits utilities from accessing certain energy transition cost recovery mechanisms while also investing in new gas infrastructure as part of their resource portfolio.
HM 20	Renewable Energy Infrastructure Study Group	Support ▾	High ▾	Ref: HENRC - Passed HENRC 2/10 with committee substitute	Requests EMNRD to create the Renewable Energy Infrastructure Study Group to evaluate how the state can accelerate the permitting, review, and deployment of community- and utility-scale renewable energy and related transmission infrastructure.
WATER					
HB 111	Water Law Violation Maximum Penalty	Support ▾	Medium ▾	Ref: HAAWC/HJC - Passed HAAWC 1/29 - Passed HJC 2/2 - Passed House Floor 2/12 (Y:51, N:3)	Updates New Mexico’s Water Code by increasing civil penalties for water law violations, clarifying enforcement procedures for the State Engineer, and modernizing penalty provisions to strengthen compliance and deterrence while maintaining existing adjudications and stream protections.
HB 207	Water Quality Commission Produced Water Rules	Support ▾	Medium ▾	Ref: HAAWC/HGEIC	Proposes amendments to the Water Trust Board Act to expand eligibility and clarify funding priorities for water infrastructure projects. The bill would revise the definition of “water

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					<p>infrastructure” to explicitly include certain reuse, reclamation, and wastewater projects, and adjust criteria for project funding to prioritize economic development, public health, and water conservation outcomes. HB 207 also modifies membership and duties of the Water Trust Board, authorizes the use of funding for planning and design phases, and updates reporting requirements to the Legislature.</p>

Bill Deep Dives

[SB 18](#) - CLEAR HORIZONS AND GREENHOUSE GAS EMISSIONS

Overview: New Mexico has achieved an estimated 13% reduction in greenhouse gas emissions through prior climate actions, including executive orders (EO 2019-003), the 2019 Energy Transition Act, the 2021 Sustainable Economy Task Force, the 2024 Clean Transportation Fuel Standard, and air quality and methane regulations. Senate Bill 18 builds on this progress by establishing enforceable statewide greenhouse gas emissions limits in statute, expanding the authority of the Environmental Improvement Board (EIB) to regulate greenhouse gas emissions, and requiring comprehensive statewide emissions monitoring and reporting. The bill formalizes a pathway to net-zero emissions by 2050, allows limited use of in-state carbon removals (including voluntary projects on Indian lands), strengthens rulemaking timelines for emissions controls, and requires tribal consultation and community outreach prior to major greenhouse gas rulemakings.

Sponsors: Senate Pro Tem Mimi Stewart, Representative Kristina Ortez, Representative Angel Charley, Representative Andrea Romero

Key Features:

Statewide Emissions Limits

- Codifies binding greenhouse gas limits
 - 45% below 2005 levels by 2030
 - 75% below 2005 levels by 2040
 - Net-zero (100% below 2005) by 2050 and thereafter
- Limits may be met through direct in-state emissions reductions; and/or In-state greenhouse gas removals, including voluntary projects on Indian lands within New Mexico.

Environmental Improvement Board (EIB) Authority

- EIB and local air boards must adopt plans and rules sufficient to meet the 2030 and 2040 limits by December 31, 2028, and update rules as needed.
- GHG regulations may apply only to stationary sources:
- Emitting $\geq 10,000$ metric tons CO₂e annually, or
- Aggregated sources under common control totaling $\geq 25,000$ metric tons CO₂e annually.
- EIB may not assert jurisdiction over sources located on reservation lands.

Monitoring, Reporting & Certification

- By September 30, 2027, EIB must adopt greenhouse gas monitoring and reporting rules, effective January 1, 2028, including methane monitoring for oil and gas using empirical methods.
- By September 20, 2028, EIB must establish a certification program for:
 - Carbon removals and qualifying emissions reductions;
 - Projects must be additional, real, permanent, quantifiable, verifiable, enforceable, and located in-state (with limited allowance for Indian lands projects).

Annual Statewide GHG Reporting

- By December 31, 2028, and annually thereafter, NMED must publish a statewide greenhouse gas report that includes:
 - 2005 baseline emissions;
 - Current emissions inventory and trends;
 - Projections of whether targets will be met;
 - State actions underway or planned;
 - Quantified emissions reductions and projected shortfalls;
 - Policy and regulatory recommendations.
 - Reports must be shared with the Governor, Legislature, and Tribal governments.

Regulatory Flexibility

- EIB may consider:
 - Economic competitiveness and carbon reduction costs;
 - Differentiated requirements by source category;
 - Flexible compliance mechanisms (averaging, trading);
 - Use of certified removals and reductions for compliance.

Tribal Consultation & Community Engagement

- Prior to GHG rulemaking, agencies must:
 - Consult with affected Tribes under the State-Tribal Collaboration Act;
 - Conduct outreach and public meetings in impacted communities;
 - Disclose whether rules would affect sources on non-reservation Indian lands and allow intergovernmental agreements if requested.

Fees

- EIB and local boards must establish fee schedules to fund program administration.

Endorsements: 350 New Mexico, American Lung Association in New Mexico, Center for Civic Policy, Climate Cabinet, Coalition for Clean Affordable Energy, Coalition of Sustainable Communities New Mexico, Conservation Voters New Mexico, Creciendo Nuevo Mexico, E2 - Environmental Entrepreneurs, Earthworks, Environmental Defense Fund, GreenLatinos, GRID Alternatives, Healthy Climate New Mexico, Moms Clean Air Force New Mexico chapter, NRDC (Natural Resources Defense Council), New Mexico & El Paso Interfaith Power and Light, NM CAFe, NM Climate Investment Center, NM Native Vote, NMVC Action Fund, ProgressNow New Mexico, Prosperity Works, San Juan Citizens Alliance, Sierra Club Rio Grande Chapter, Sovereign Energy, SWEEP (Southwest Energy Efficiency Project), the Semilla Project, Western Environmental Law Center, Western Leaders Network, and Western Resource Advocates.

Opposition: New Mexico Oil and Gas Association (NMOGA)

Tribal Considerations:

- Authorizes the use of greenhouse gas removals and net reductions as a compliance mechanism, but key methodologies for quantifying, verifying, and enforcing removals have not yet been established, raising implementation and accountability questions.
- Allows voluntary removal or reduction projects on “Indian lands within the exterior boundaries of the state,” a term that is not defined in the bill and may create jurisdictional ambiguity without clearer limits tied to New Mexico Tribes or specific land categories.

- Does not explicitly define “Indian nation, tribe, or pueblo” or specify whether eligibility is limited to federally recognized Tribes located in New Mexico, potentially creating uncertainty in application and oversight.
- Improves Tribal consultation language relative to prior proposals, but consultation is required in advance of proposed rulemaking, rather than embedded earlier in the rule formation process, where policy options and frameworks are initially developed.
- Requires disclosure when rules would regulate sources on non-reservation Indian lands or non-Indian fee lands within reservation boundaries, creating opportunities for intergovernmental agreements, but leaves the timing and scope of engagement to agency discretion.
- Prohibits the EIB from asserting jurisdiction over sources on reservation lands, reinforcing Tribal regulatory authority while leaving questions about cumulative impacts from nearby regulated sources.

SM 9 - STUDY STATE PURCHASE OF UTILITIES

Overview: Senate Memorial 9 requests that the New Mexico Legislative Finance Committee (LFC) study the potential public benefits, risks, and feasibility of one or more state investment funds purchasing an equity stake in major investor-owned utilities currently subject to private equity acquisition proposals. The memorial responds to concerns about private equity ownership of essential utilities and explores whether partial state ownership could provide more stable revenues, greater public accountability, and improved alignment with public interest, ratepayer protection, and clean energy goals.

Sponsors: Senator Harold Pope

Key Features:

Legislative Finance Committee Study

- Requests LFC staff, in consultation with:
 - Public Regulation Commission (PRC),
 - State Investment Council,
 - New Mexico Finance Authority,
 - Attorney General,
 - Economic Development Department,
 to evaluate the costs and benefits of state investment in utilities.

Scope of Analysis

- Examines public, ratepayer, environmental, and economic impacts of state ownership.
- Evaluates potential revenue diversification away from volatile oil and gas revenues.
- Assesses procedures, disclosures, and legal steps required for state funds to acquire equity.

Pause on Private Equity Approval

- Requests the PRC refrain from approving private equity acquisitions of New Mexico Gas Company and TXNM Energy until the study is completed, but not beyond the first session of the 58th Legislature.

Endorsements:

Opposition:

Tribal Considerations:

- No explicit Tribal consultation requirements are included. Tribal engagement would depend on the LFC study design and stakeholder outreach.
- Opens discussion on public or state ownership of utilities, which may affect utility governance, rate-setting, and infrastructure decisions impacting Tribal communities.
- The study scope includes environmental and ratepayer impacts, providing an opportunity to elevate Tribal concerns related to affordability, reliability, and energy transition impacts.
- Potential state ownership could create leverage for greater accountability to Tribes compared to private equity ownership models.
- Outcomes may influence long-term utility planning relevant to Tribal renewable energy interconnection, microgrids, and transmission access.

SB 39 - OVERSIGHT DATA ON MICROGRIDS

Overview: Senate Bill 39 establishes the Microgrid Oversight Act, granting the Public Regulation Commission authority to regulate large microgrids and ensure they contribute to New Mexico’s clean energy transition without increasing costs for ratepayers. The bill creates a microgrid-specific renewable portfolio standard, requires detailed reporting on energy generation and water use, and places guardrails on utility-microgrid transactions to prevent unjustified rate increases.

Sponsors: Senator Jeff Steinborn

Key Features:

PRC Oversight Authority

- Grants PRC authority to approve and oversee microgrids ≥ 20 MW
- Allows PRC to collect oversight fees and conduct inspections.

Microgrid Renewable Portfolio Standard

- Requires microgrids to meet escalating clean energy targets:
 - 40% renewable energy by 2026–2028,
 - 50% by 2030,
 - 80% by 2040,
 - 100% zero-carbon energy by 2045.

Reporting & Transparency

- Annual reporting on:
 - Total energy generation,
 - Renewable energy by technology type,
 - Water use,
 - Compliance status.

Ratepayer Protections

- Prohibits utilities from increasing rates due to purchasing power from microgrids.
- Prohibits PRC approval of utility acquisitions of self-generation resources that would harm ratepayers.

Endorsements:

Opposition:

Tribal Considerations:

- Does not explicitly address Tribal jurisdiction or consultation, raising questions about siting, cumulative impacts, and coordinated engagement for microgrids adjacent to or affecting Tribal lands, natural and cultural resources.
- Regulates large microgrids (≥ 20 MW), which may include industrial, data center, or utility-scale facilities near Tribal lands.
- Requires microgrid operators to report total water use, including water used for power generation and cooling, but does not specify how this information will be shared with Tribal governments or affected communities.
- Leaves questions about how cumulative impacts, including water use and energy load growth (data centers or industrial facilities), will be evaluated across jurisdictions.
- Prohibits utility rate increases related to microgrid transactions, offering ratepayer protections that may benefit Tribal households.
- May create opportunities and risks for Tribal-led microgrid development, depending on how PRC rules are implemented.

SB 78 - NUCLEAR ENERGY AS RENEWABLE ENERGY

Overview: Senate Bill 78 (SB 78) would amend New Mexico’s Renewable Energy Act to classify nuclear energy as a qualifying resource under the state’s Renewable Portfolio Standard (RPS). This change would allow utilities to count nuclear power toward renewable energy targets that currently prioritize sources such as wind and solar. The proposal has raised concerns about redefining “renewable” energy given nuclear’s unique risks, costs, waste challenges, and impacts on frontline and Tribal communities.

Sponsors:

Senator Anthony L. Thornton, Senator James G. Townsend, Senator Martin Hickey, Senator Nicole Tobiassen, Representative Cathrynn N. Brown, and Representative Meredith A. Dixon

Key Features:

- RPS Redefinition
 - Expands the definition of qualifying renewable resources to include nuclear energy generation.
- Utility Compliance Flexibility
 - Allows utilities to count nuclear power toward state renewable energy targets.
- Policy Shift
 - Reframes the intersection of “renewable” and “clean” energy within New Mexico’s energy policy, with implications for future utility planning and investment.

Endorsements:**Opposition:****Tribal Considerations:**

- No provisions requiring Tribal consultation or consent regarding nuclear generation, fuel sourcing, waste transport, or related infrastructure that may impact Tribal communities.
- Tribal Nations, particularly the Navajo Nation and neighboring Pueblos, continue to face unresolved health, environmental, and cultural harms from legacy uranium mining, raising concerns about redefining nuclear energy as “renewable” without addressing these legacy impacts.

- Does not address how radioactive waste would be stored, managed, or monitored over long timeframes, nor how Tribal consultation for waste siting, transport, or disposal potentially affects Tribal lands or resources.
- Nuclear energy's high water demands raise concerns in arid regions where Tribes already experience cumulative water stress, groundwater contamination, and competition over limited water supplies.
- Redefining nuclear energy as renewable may influence state regulatory decisions and investment priorities that affect Tribal lands and communities.
- Potential impacts on water resources, environmental justice, and intergenerational health concerns are key considerations for Tribal nations and frontline communities.

SB 109 - ABANDONED UTILITY TRANSITION COST RECOVERY

Overview: Senate Bill 109 (SB 109) would prohibit a “qualifying utility” that is abandoning or has abandoned a qualifying generating facility from recovering energy transition costs through energy transition bonds if the utility constructs new natural gas resources. The bill aims to ensure that utilities cannot access state-authorized cost recovery mechanisms tied to energy transition while simultaneously investing in new fossil gas infrastructure.

Sponsors: Senator Harold Pope Jr., Senator Liz Stefanics, and Senator Micaelita Debbie O’Malley.

Key Features:

- Energy Transition Bond Restrictions
 - Prevents qualifying utilities from using energy transition bonds to recover costs if they build new natural gas generation.
- Tightens Fossil Gas Policy
 - Seeks to align utilities’ energy transition financing with reductions in fossil fuel dependence.
- Utility Investment Signals
 - Signals legislative intent to discourage continued investment in new fossil gas infrastructure during the clean energy transition.

Endorsements:

Opposition:

Tribal Considerations:

- Restricting cost recovery for new gas infrastructure may help prevent further investments that disproportionately impact Tribal and frontline communities through air and water pollution.
- By disincentivizing new fossil gas facilities, the bill could reduce long-term health and environmental burdens on Tribal lands and neighboring areas.
- SB 109 does not include specific Tribal consultation requirements related to utility planning, rate impacts, or infrastructure siting, even where new gas projects may affect Tribal communities.
- Changes to cost recovery mechanisms could affect utility revenue models that, in turn, influence energy rates and economic conditions for ratepayers, including Tribal utilities and communities.
- The bill may support a cleaner energy transition framework that better aligns with Tribal energy sovereignty goals, especially when paired with policies promoting renewable and community-scale energy development.

HJR 3 - THE GREEN AMENDMENT (CA - ENVIRONMENTAL RIGHTS)

Overview: House Joint Resolution 3 proposes a constitutional amendment to recognize a fundamental environmental right in the New Mexico Constitution. The

amendment would affirm that all people have a right to clean and healthy air, water, soil, environments, healthy ecosystems, and a stable climate, and would designate the state and local governments as trustees of New Mexico's natural resources for present and future generations.

Sponsors: Representative Matthew McQueen et al. (*per introduced resolution*)

Key Features:

Constitutional Environmental Rights

- Establishes an enforceable right to a clean and healthy environment.
- Includes protections for air, water, soil, ecosystems, and climate.

Public Trust Doctrine

- Requires the state, counties, and municipalities to act as trustees of natural resources.
- Obligates governments to prevent unreasonable depletion or degradation.

Voter Approval

- Submits the constitutional amendment to New Mexico voters for approval.

Endorsements: New Mexico Legislators' Environmental Caucus

Opposition: New Mexico Cattle Growers' Association

Tribal Considerations:

- The resolution doesn't expressly reference Tribal Nations, Tribal lands, or Tribal sovereignty, nor does it define how the constitutional environmental right would apply on reservation lands.
- The amendment would apply to state, county, and municipal actions, requiring those governments to act as trustees of natural resources; it does not expand state jurisdiction onto Tribal lands.
- Because Tribes are sovereign governments, the amendment would not directly regulate Tribal lands or Tribal environmental decision-making.
- The amendment could indirectly affect Tribes by:
 - Influencing state permitting and enforcement decisions for projects near or upstream of Tribal lands;
 - Strengthening legal standards that apply to state actions impacting shared waters, airsheds, and ecosystems.
- The amendment may provide additional legal tools for challenging state decisions that cause environmental harm affecting Tribal communities.

HM 20 - RENEWABLE ENERGY INFRASTRUCTURE STUDY GROUP

Overview: House Memorial 20 requests that the Energy, Minerals and Natural Resources Department (EMNRD) convene a Renewable Energy Infrastructure Study Group to evaluate how New Mexico can accelerate permitting, review, and deployment of community- and utility-scale renewable energy and transmission infrastructure while maintaining environmental protections and public participation.

Sponsors: Representative Matthew McQueen; Representative Tara L. Lujan; Representative Debra M. Sariñana; Representative Joanne J. Ferrary

Key Features:

Study Group Creation

- Directs EMNRD to convene a 14-member study group including:
 - State agencies,

- Local governments,
- Utilities and developers,
- Tribal energy entities,
- Environmental organizations.

Scope of Review

- Examines federal, state, and local permitting processes.
- Identifies opportunities to streamline reviews while protecting land, water, wildlife, and cultural resources.
- Evaluates options for coordinated interagency review and predictable permitting timelines.

Deliverables

- Requires recommendations on administrative, legislative, and judicial reforms.
- Final report due to the Legislature by November 1, 2026.

Endorsements:

Opposition:

Tribal Considerations:

- Includes “Tribal energy entities” among eligible study group members; however, the term is not defined and does not explicitly include Tribal governments, Tribal Historic Preservation Officers, or designated Tribal representatives, risking conflating “entities” with sovereign governments.
- Participation by Tribal energy entities cannot substitute for NM’s government-to-government consultation obligations and representation, particularly on issues of cultural resource protection, land stewardship, and cumulative impacts.
- The study’s focus on streamlining renewable energy and transmission permitting raises concerns about whether Tribal consultation timelines, cultural review processes, and Traditional Cultural Properties, and other cultural resources and landscapes will be adequately reflected.
- Many proposed renewable energy projects cross complex jurisdictional boundaries (federal, state, private, Indian trust, allotment lands). The bill does not require representation from these specific stakeholder groups.
- Study outcomes could influence future policies affecting transmission siting and renewable development near or across Tribal lands, including landscapes of cultural and historical significance.
- Recommendations developed without clear Tribal government participation could shape future legislation or administrative reforms in ways that affect Tribal consent and engagement processes.

SB 66 - URANIUM MINE CLEANUP

Overview: Senate Bill 66 appropriates funding to address legacy contamination across New Mexico, including abandoned uranium mining sites that lack viable responsible parties. The bill responds to long-standing public health, environmental justice, and environmental remediation needs, particularly in communities disproportionately impacted by historic uranium development.

Sponsors: Senator Jeff Steinborn; Senator Shannon D. Pinto; Senator Angel M. Charley; Senator Benny Shendo, Jr.

Key Features:

Funding for Cleanup

- Appropriates \$50 million to the New Mexico Environment Department.
- Funds available for FY 2027–2029.

Eligible Sites

- Abandoned or neglected contaminated sites statewide.
- Explicitly includes abandoned uranium mining sites.

Use of Funds

- Supports assessment, investigation, and cleanup where no responsible party exists.
- Unspent funds revert to the general fund at the end of FY 2029

Endorsements: Acoma Pueblo, Laguna Pueblo

Opposition:

Tribal Considerations:

- Doesn't include explicit Tribal consultation or prioritization criteria, raising questions about site selection, community involvement, and cleanup standards.
- Directly addresses legacy uranium contamination, which has disproportionately impacted Tribes and Indigenous communities.
- Provides state funding for cleanup where no viable responsible party exists, filling critical gaps left by federal and private remediation efforts.
- May support assessment and cleanup activities near or affecting Tribal lands, waters, and communities, even when sites are off-reservation.
- Presents an opportunity to advocate for Tribal input, culturally appropriate remediation, and coordination with federal uranium cleanup programs.

HB 207 - WATER QUALITY COMMISSION PRODUCED WATER RULES

Overview: House Bill 207 (HB 207) would expand and clarify the Water Trust Board Act by broadening the definition of “water infrastructure” to include reuse, reclamation, and wastewater projects, prioritizing public health, economic development, and conservation outcomes, and updating funding criteria, membership duties, and reporting requirements to support more effective water project investment statewide.

Sponsors: Representative Cathrynn N. Brown, Representative Jimmy G. Mason, Representative Mark B. Murphy, Representative Jonathan A. Henry, Representative Elaine Sena Cortez, and Representative Susan K. Herrera, Cathrynn N. Brown, Jimmy G. Mason, Mark B. Murphy,

Key Features:

- Produced Water Rulemaking
 - Directs the WQCC to adopt rules governing the approved uses of treated produced water
- Water Quality
 - Seeks to integrate produced water into existing water quality protections
- Regulatory Clarity
 - Aims to provide clearer standards for produced water management to support potential reuse and environmental safeguards

Endorsements:

Opposition:

Tribal Considerations:

- The bill does not explicitly include provisions for Tribal consultation in developing or implementing produced water rules
- Produced water reuse standards could affect Tribal water rights, where shared aquifers and surface waters intersect with Tribal lands
- For Tribes with EPA approved water quality standards under the Clean Water Act, the bill does not address how state rulemaking will coordinate or defer to Tribal regulatory authority where Tribal waters or downstream Tribal interests are affected.
- Without clear mechanisms for coordination, governance of produced water reuse may overlap state regulatory authority with Tribal sovereignty over water resources and cultural uses
- Treated produced water could carry potential risks to water quality, which may impact Tribes who rely on clean water for traditional, cultural, and subsistence use

HB 111- WATER LAW VIOLATION MAXIMUM PENALTY

Overview: HB 111 amends New Mexico’s water law to increase maximum civil penalties for water law violations, clarifying enforcement procedures for the State Engineer, and modernizing penalty provisions to strengthen compliance and deterrence while maintaining existing adjudications and stream protections.

Sponsors: Representative Kristina Ortez, Senator Mimi Stewart, Representative Andrea Romero, Elizabeth "Liz" Stefanics, Senator James G. Townsend

Key Features:

- Increased Civil Penalties
 - Raises the minimum daily civil penalty that the State Engineer may assess for violations of water law and compliance orders, increasing the cap from the long-outdated levels (as much as \$3,400 per day) for ongoing violations.
- Notice Requirement
 - Before issuing a compliance order, the State Engineer must provide a written notice of violation
- Penalties for Unauthorized Water Sales
 - If water is sold without a permit, the maximum penalty becomes “the greater of double the economic benefit to the violator or \$25 per barrel of water sold”.
- Groundwater Storage Act Penalties
 - The bill also updates maximum civil penalties for violations of the Ground Water Storage and Recovery Act to align with higher substantive penalty levels.

Endorsements:

Opposition:

Tribal Considerations:

- The new written notice requirement could improve transparency for Tribal Nations, before compliance orders are issued
- Higher civil penalties could promote enforcement of water rights and compliance on or near Tribal lands, potentially deterring over-diversions and unauthorized withdrawals that affect Tribal water resources.
- Increased penalties could affect agricultural and Tribal water-dependent enterprises if violations occur.
- Updated penalties under the Ground Water Storage and Recovery Act may reinforce protections for groundwater that is culturally and economically significant to Tribes