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Voters Will Be Asked to Decide on Whether the Water Trust Fund Becomes a Permanent Fund

(ALBUQUERQUE, New Mexico) – In November, voters will be asked to choose whether to pass a Constitutional Amendment to make the current Water Trust Fund a constitutionally protected permanent fund.

The 2006 State Legislature set aside \$40 million to put financial strength behind this initiative. By passage of this amendment, the fund will gain the added protection of constitutional status, putting it beyond the reach of future legislative abolishment.

The fund will consist of money appropriated, donated, or otherwise accrued to the fund. Money will be invested by the State Investment Officer as land grant permanent funds are invested, and there will be strict accountability and oversight measures as provided by the State Investment Council to ensure appropriate safety of and return on investments. Earnings from investment of the fund will be credited to the fund.

“The fund will be used to support critically needed projects that preserve and protect New Mexico’s water supply. An annual distribution will be made from the fund and the distribution will be appropriated by the legislature for water projects consistent with a state water plan,” said New Mexico State Engineer John D’Antonio.

“A healthy Water Trust Fund, protected by constitutional status, is one of the most powerful legacies we could leave behind during the Year of Water,” said D’Antonio. “It is important that people know that this issue will come up on the ballot in November.”

(MORE)

Over the past five years, the State Legislature has taken steps to secure a stable source of funding for water projects by providing an annual allocation of Severance Tax Bond proceeds to the Water Project Fund. The Water Project Fund through the Water Trust Board recommended more than \$21 million in funding in May of 2006 for 25 water projects across the state. Eligible projects from this fund include: large infrastructure water supply projects, restoration and management of watersheds, conservation projects, Endangered Species Act collaborative programs, as well as flood control projects. The investment return of the growing Water Trust Fund endowment will provide a further continuing revenue stream to fund these needed water projects across the state.

The State Engineer is the chairman of the Water Trust Board. The Office of the State Engineer is charged with administering the state's water resources. The State Engineer has power over the supervision, measurement, appropriation, and distribution of all surface and groundwater in New Mexico, including streams and rivers that cross state boundaries. The State Engineer is also the Secretary of the Interstate Stream Commission and oversees its staff.

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