



**NEW MEXICO
ENVIRONMENT DEPARTMENT**

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May 20, 2020

Johanna Nelson
New Mexico Economic Development Department
johanna.nelson@state.nm.us

Dear Ms. Nelson:

The New Mexico Environment Department (“Department”) hereby provides notice to the Small Business Regulatory Advisory Commission, pursuant to the Small Business Regulatory Relief Act, NMSA 1978, Sections 14-4A-1 to -6, that the Department petitioned the New Mexico Water Quality Control Commission (“WQCC”) to amend the regulations administering Wastewater Facility Construction Loans found at 20.7.5 NMAC. This program is also known as the Clean Water State Revolving Loan Fund (“CWSRF”).

The Wastewater Facility Construction Loan Act, NMSA 1978, Sections 74-6A-1 to -15, creates the CWSRF to provide low-cost financing for wastewater and stormwater drainage projects that protect surface and ground water. The amendments would revise the definition of the base interest rate for CWSRF loans found at 20.7.5.14 NMAC. The amendments would further allow the Department to establish other interest rates and conditions through policies to be reported annually to the WQCC. Through these amendments the Department will have the flexibility to effectively respond to real world conditions and improve annual drawdown of the CWSRF, have the flexibility to consider the necessary and appropriate factors for rates less than the base rate, and retain WQCC oversight of the process. The Department is proposing that the WQCC make these changes pursuant to its authority found at NMSA 1978, Section 74-6A-9.

Pursuant to NMSA 1978, Section 14-4A-4, the Department does not anticipate that the proposed regulatory amendments will have any adverse effect on small business. Indeed, the Department anticipates that adoption of the proposed amendments will help it utilize more of the funds currently residing in the CWSRF. The Department anticipates that this will, in turn, lead to increased construction and use of local business through eligible projects.

The public hearing on the proposed amendments (Docket No. WQCC 20-07(R)) is currently scheduled for Tuesday, July 14, 2020. The hearing is scheduled to begin at 9:00am via the web application WebEx. This time sensitive hearing is being held via WebEx to comply with the emergency public health order designed to protect the public and prevent the spread of COVID-19. The hearing location may change prior to the hearing date, and the WQCC may hold the hearing in person if circumstances allow. However, even if the WQCC holds the hearing in person, the Commission administrator will provide teleconference access to those wishing to participate without being at the hearing in person. For a complete copy of the rule, please visit the WQCC’s website at <https://www.env.nm.gov/water-quality-control-commission/wqcc-20-07-r/>. If you require additional information about these proposed regulatory amendments, please feel free to contact me at (505) 222-9554 or christopher.atencio@state.nm.us.

Ms. Johanna Nelson
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Sincerely,

/s/ Christopher Atencio

Christopher N. Atencio, Esq.
Assistant General Counsel
New Mexico Environment Department

cc: Jennifer Hower, General Counsel
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