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IN THE MATTER OF THE AMENDMENT

OF 20.7.7 NMAC:

CONCISE EXPLANATORY STATEMENT

In accordance with the authority vested in him by Section 9-7A-6(D) NMSA 1978 to adopt regulations necessary and appropriate to carry out the purposes and intent of the Wastewater Facility Construction Loan Act and 20.7.5.14(A) NMAC, the Secretary of the New Mexico Environment Department (“NMED”) appointed a hearing officer who held a public hearing on January 22, 2020, to amend rule 20.7.6 NMAC – Wastewater Facility Construction Loan Policies and Guidelines and repeal and replace rule 20.7.7 NMAC – Review Procedures for Wastewater Construction Loans. NMED provided notice in the New Mexico Register in English and Spanish on December 17, 2019, and in the Albuquerque Journal in English and Spanish on December 15, 2019. In 2017 and 2018, the New Mexico Legislature amended the Wastewater Facility Construction Loan Act to expand the scope of eligible borrowers and projects. 2017 N.M. Laws, ch. 114.; 2018 N.M. Laws, ch. 19. Those amendments expanded the scope of eligible borrowers and projects for the Wastewater Construction Loan Fund to better match the scope of borrowers and projects allowed by the Clean Water Act and the United States Environmental Protection Agency. The amendments also changed the eligibility criteria to qualify for hardship interest rates for eligible borrowers. *Id.* The New Mexico Water Quality Control Commission (“WQCC”) revised 20.7.5 NMAC – Wastewater Facility Construction Loans in August of 2018 based on these changes, and NMED’s amendments to 20.7.6 NMAC and repeal and replace of 20.7.7 NMAC align NMED’s policies and guidelines to the legislative and WQCC changes. The Secretary issued a Statement of Reasons and Order adopting NMED’s proposed revisions on February 14, 2020. Pursuant to Section 14-4-5(D) NMSA 1978, the effective dates for these changes are March 10, 2020.