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## FISCAL IMPACT REPORT

ORIGINAL DATE 3/3/09

SPONSOR   Powdrell-Culbert   LAST UPDATED \_\_\_\_\_ HM   54  

SHORT TITLE   Study Erosion Damage & Storm Water Runoff   SB \_\_\_\_\_

ANALYST   Haug  

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	NFI	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to SB 236

### SOURCES OF INFORMATION

LFC Files

### Responses Received From

Department of Finance and Administration (DFA)  
 New Mexico Environment Department (NMED)  
 Department of Agriculture (NMDA)  
 Office of the State Engineer (OSE)

### SUMMARY

#### Synopsis of Bill

House Memorial 54 requests the Interim Water and Natural Resources Committee, in cooperation with soil and water conservation districts, flood control authorities and the appropriate state agencies, study the problem of flood and storm water erosion damage to private property and make recommendations of methods to encourage property owners to take steps to prevent future erosion, including recommendations for tax credits or other financial incentives

### FISCAL IMPLICATIONS

There is no apparent fiscal impact.

**SIGNIFICANT ISSUES**

Many communities in New Mexico, including Hatch, Ruidoso, Rio Rancho and Albuquerque, have suffered serious erosion damage from flooding and storm water runoff in recent years.

It is in the best interests of the state to encourage erosion control efforts that will prevent similar damage in the future.

Although local governments attempt to repair damage to public property, it is often left to individual property owners to initiate and fund improvements to repair erosion damage to their property and prevent such damage in the future.

Property owners have difficulty in obtaining information on the best methods to prevent future damage and assistance in determining feasible methods of financing such improvements.

Financial incentives would encourage property owners to undertake flood erosion prevention measures that would be beneficial to the community as a whole.

The NMDA notes that Soil and water conservation districts (SWCDs) operate with very limited funding for general operations, \$10.0 or less per year for most districts. Though most would consider flooding, storm water management, watershed health and erosion to be high priority issues, additional duties without additional funding will limit their ability to participate in the study called for by HM 54. Some entities may claim to have the ability to represent all SWCDs, but the highly localized nature of land types, land use and ownership in different areas of the state would call for regional representation at a minimum.

The OSE states:

Surface water throughout New Mexico is fully appropriated and proposed new depletions to the flows of surface water must be offset with valid water rights in most circumstances. The purpose of this memorial is to study the problem of flood and storm water erosion damage to private property. Erosion control often consists of the construction of grade control structures or erosion or flood control dams. No permit is required for erosion or flood control structures whose maximum storage capacity does not exceed 10 acre-feet. Per the State Engineer's rules and regulation governing the appropriation and use of surface water, no permit is required to appropriate surface water when the primary purpose of the impoundment is flood control, provided the outlet drains the impoundment (from the spillway crest) in 96 hours.

HM54 does not include conservancy districts as one of the entities that the committee would cooperate with to study the problem of flood and storm water erosion. The communities of Rio Rancho and Albuquerque do include property owners within the boundaries of the Middle Rio Grande Conservancy District, which was formed with the partial purpose of providing flood control.

According to the NMED, an effective statewide storm water management program could result in improvements to surface water quality.

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The DFA notes that the Local Government Division, through the Federally funded Community Development Block Grant, may be considered for planning grants to conduct studies or develop plans to help address the flooding to private property concerns addressed through this bill.

### **RELATIONSHIP**

House Memorial 54 is related to Senate Bill 236, which would appropriate \$600.0 from the general fund to match federal funds to provide technical assistance to private landowners implementing conservation practices on private lands.

GH/mt