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FISCAL IMPACT REPORT

ORIGINAL DATE 3/2/09

SPONSOR Lopez LAST UPDATED _____ HB _____

SHORT TITLE Rights Of Acequias In Conservancy Districts SB 682

ANALYST Haug

APPROPRIATION (dollars in thousands)

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

(Parenthesis () Indicate Expenditure Decreases)

Conflicts with SB 486

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

Office of the State Engineer (OSE)

SUMMARY

Synopsis of Bill

Senate Bill 682 would add a new section Chapter 73, Article 2 clarifying that acequia associations existing within the boundaries of conservation districts created pursuant to Articles 73-14 through 18 have the rights, privileges, obligations and duties as acequia associations that do not lie within a conservancy district. The bill further provides that:

Any modifications to ditches, turnouts and other infrastructure would be required to be restored to their state as of 1935 at the expense of the conservancy district within one calendar year from the effective date of the bill. Failure of a conservancy district to restore acequia infrastructure to its state as of 1935 would incur a penalty of \$1,000 per day assessed against each director of the delinquent conservancy district and its executive director.

Conservancy districts would be prohibited from curtailing water deliveries to acequia associations except as part of a general reduction of water delivery in time of shortage or drought.

Conservancy districts could not pledge, assign or loan water belonging to acequia associations without the prior written consent of the affected acequia associations.

Statutory conflicts of any kind between Chapter 73, Articles 14 through 18 NMSA 1978 and this section would be resolved in favor of this new section.

The Conservancy Court of the Second Judicial District would have exclusive jurisdiction to resolve disputes between the Middle Rio Grande Conservancy District (MRGCD) and acequia associations whose boundaries lie wholly or partially within the boundaries of the MRGCD.

Operations of the acequia associations would be funded by payments from the conservancy district to the acequia associations that lie wholly or partially within the district. Acequia associations would receive a refund of twenty-five percent of the taxes collected by conservancy districts from the property that lies within each acequia association. An acequia association could contract at its own expense for an audit of tax payments due from the conservancy district. Conservancy districts would be permitted to retain for their own use all taxes collected from lands without an acequia association until an acequia is properly formed.

FISCAL IMPLICATIONS

Senate Bill 682 has no apparent fiscal impact. The OSE states that there would be no fiscal implications for OSE/ISC.

SIGNIFICANT ISSUES

The OSE notes that paragraph B requires that all modifications to ditches, turnouts and other infrastructure made by any person shall be restored to their state as of 1935 by the conservancy district. It is unclear how this provision will affect acequia associations that were not in existence in 1935, but are now in existence, or those that will be created in the future.

CONFLICT

Senate Bill 682 conflicts with Senate Bill 486 which would remove the MRGCD's jurisdiction over acequias within the boundaries of the MRGCD.

GH/mc