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FISCAL IMPACT REPORT

ORIGINAL DATE 03/05/13

SPONSOR SRC _____ LAST UPDATED _____ HB _____

SHORT TITLE Public Peace, Health, Safety & Welfare -
 Conservancy Court Control of MRGCD SB 631/SRCS

ANALYST Weber _____

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Office of the State Engineer (OSE)

SUMMARY

Synopsis of Bill

The Senate Rules Committee substitute for Senate Bill 631 seeks to repeal sections 73-14-19 and 73-14-22 NMSA 1978, and enact a new section of Chapter 73 Article 14 NMSA 1978 to provide for conservancy court control of the Middle Rio Grande Conservancy District (MRGCD) and provide for appointment of a receiver, who would do the following: manage operations of the MRGCD, replace the current board, suspend the next scheduled election, craft boundaries for the election of the MRGCD directors; and provide for the election of the MRGCD board by districts.

The substitute bill declares this an emergency because “it is necessary for the public peace, health and safety that this act be effective immediately.” The bill further states that the conservancy court would assume control of the MRGCD no later than 10 calendar days after the effective date of the bill.

FISCAL IMPLICATIONS

No fiscal implications identified.

SIGNIFICANT ISSUES

The OSE provides the following:

The MRGCD has been working collaboratively with the State and others over the past ten years to address multiple issues and has significantly improved its water management infrastructure and operations. The improvements have allowed the District to significantly extend its irrigation season for its farmers during drought and has reduced its diversions to levels that are within the range, for non-Pueblo lands, the State Engineer considers non-wasteful. The requirement that the MRGCD operations be placed in receivership would likely have implications for the district's performance over a one to two year period of time. Their ability to implement agreements and decisions related to the ISC and the Endangered Species Collaborative Program could be hampered.

An additional concern is that a change in the MRGCD oversight, and presumably management, could constrain the ability of the MRGCD staff to receive approvals to perform regular duties for maintenance of drains and other infrastructure. Those activities are important to the agency because they reduce losses of water.

MW/svb