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FISCAL IMPACT REPORT

ORIGINAL DATE 02/11/14

SPONSOR Campos LAST UPDATED _____ HB _____

SHORT TITLE Northeastern NM Water Supply Issues SM 41

ANALYST McCoy

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY14	FY15		
	Undetermined		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
Office of the State Engineer

SUMMARY

Synopsis of Bill

Senate Memorial 41 requests the Office of the State Engineer (OSE), Interstate Stream Commission (ISC) and regional stakeholders to study options for addressing water supply issues in northeastern New Mexico.

FISCAL IMPLICATIONS

According to the OSE, additional funding for regional water planning may be required.

The General Appropriation Act, House Bill 2, contains an appropriation of \$75 thousand of general fund revenue, which was the Executive recommendation, to update state and regional water plans.

SIGNIFICANT ISSUES

OSE reports, the memorial correctly notes the increasing stress on water supplies and recognizes the need for integrated, regional solutions to present and future water demand. The requested involvement by the OSE and ISC is likely best provided in the context of ongoing regional water planning. Furthermore, the Water Trust Board uses whether a proposal is included in an agency accepted regional water plan as criteria for funding water projects under the Water Project Finance Act.

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For FY14, the Legislature appropriated \$400 thousand dollars for the OSE and ISC to update state and regional water plans. The agency also received a \$400 thousand grant from the Local Government Planning Fund from the New Mexico Finance Authority in FY14 for the same purpose.

POSSIBLE QUESTIONS

How much will each regional water plan cost?

How much will updating the regional and state water plans cost?

MTM/ds