Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website (<u>www.nmlegis.gov</u>) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

		ORIGINAL DATE	2/13/18		
SPONSOR	Romero/Ruiloba	LAST UPDATED	2/14/18	HM	102/aHLELC
		_			
SHORT TIT	LE Abq-Bernalillo Wa	q-Bernalillo Water Authority Effectiveness			

ANALYST Martinez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY18	FY19	FY20	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI	NFI	NFI	NFI

(Parenthesis () Indicate Expenditure Decreases)

Relates to: SM 100

SOURCES OF INFORMATION

LFC Files

<u>Responses Received From</u> Public Regulation Commission (PRC)

<u>Responses NOT Received From</u> Department of Environment (DOE)

SUMMARY

Synopsis of House Local Government, Elections, Land Grants, & Cultural Affairs

The House Local Government, Elections, Land Grants, & Cultural Affairs amendment deletes the following paragraph:

"BE IT FURTHER RESOLVED that the testimony to be received include potential alternatives to the composition of the authority's board of directors; recommendations to reform the appointment or election process for board members; and recommendations to strengthen the ability of the authority to meet the current and future water needs of the city of Albuquerque, Bernalillo county and associated local governments; and"

Synopsis of Bill

House Memorial 102 (HM 102) asks the Legislative Council to identify the appropriate interim committee that addresses water and natural resources issues to receive by October 1,

House Memorial 102/aHLELC – Page 2

2018, testimony on the effectiveness of the Albuquerque-Bernalillo Water Utility Authority and its board of directors in accomplishing the authority's duties.

Finally, HM 102 seeks recommendations to strengthen the ability of the authority to meet the current and future water needs of the city of Albuquerque, Bernalillo County and associated local governments.

FISCAL IMPLICATIONS

No Fiscal Implications exist for the New Mexico Public Regulation Commission.

SIGNIFICANT ISSUES

Public Utilities under the jurisdiction of the New Mexico Public Regulation Commission are subject to regulation under the Public Utility Act (NMSA Chapter 62). The Albuquerque-Bernalillo Water Authority was created pursuant to Section 72-1-10 NMSA. Section 72-1-10(I.) states: "The authority is not subject to the jurisdiction of or approval from the public regulation commission. The authority is not subject to the provisions of the Public Utility Act [Chapter 62, Articles 1 through 6 and 8 through 13 NMSA 1978]. The authority is granted a water use planning period not to exceed forty years as set forth in Section 72-1-9 NMSA 1978." The New Mexico Public Regulation Commission does regulate small investor owned utilities near or bordering the Albuquerque-Bernalillo Water Authority.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo.

POSSIBLE QUESTIONS

JM/al