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## FISCAL IMPACT REPORT

SPONSOR: Cisneros DATE TYPED: 03/09/01 HB \_\_\_\_\_  
 SHORT TITLE: Limit New Domestic Water Well Drillings SB 602/aSPAC/aSFI#1  
 ANALYST: Chabot

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	NFI				

### SOURCES OF INFORMATION

LFC Files  
 Department of Agriculture  
 Office of the State Engineer (SEO)

### SUMMARY

#### Synopsis of the Senate Floor Amendment

This amendment changes the word “property” to “residence” on page 2, line 5. Section B of the bill will now read as follows:

“B. No municipality may deny authorization of a new domestic water well permit to an applicant if the total cost to the applicant of extending the municipal water distribution line, meter and hook-up to the applicant’s [~~property~~] residence exceeds the cost of drilling a new domestic water well.

#### Synopsis of the SPAC Amendment

The Senate Public Affairs Committee amendment slightly rewords the recommended change found in the Fiscal Impact Report under Technical Issues to require the permit applicant to comply with all applicable municipal ordinances enacted for new domestic water wells under the new Chapter 3, Article 53 NMSA 1978 enacted by this bill.

#### Synopsis of Original Bill

This bill creates a new section of Chapter 3, Article 53 NMSA 1978 which provides that a municipality, within its boundaries, may restrict the drilling of new domestic water wells, except for property zoned as agricultural, that is within 300 feet of the municipal water system distribution lines. Cost to the applicant of connecting to the distribution system can not exceed the cost of drilling the well, and the municipality must provide service within 90 days. The municipality must file the ordinance with

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SEO and notify that agency of all permit denials for domestic wells. The applicant may appeal the decision of the municipality to the district county court. Nothing in the new section limits SEO authority to administer water rights and the agency is not liable for actions taken by the municipality.

This bill also amends, Section 72-12-1A NMSA 1978, to refer applications for domestic water use within municipalities to conform with the new statute created.

### Significant Issues

The intent of the bill is to require individuals living in municipal boundaries to comply with municipal ordinances before requesting a permit from SEO to drill a domestic well. However, SEO is concerned that as written, the bill might require SEO to interpret the municipal ordinance prior to issuing the permit. SEO has proposed an amendment to clarify the intent and it is found in Technical Issues.

### **TECHNICAL ISSUES**

SEO recommends page 4, lines 12 to 15 be changed to read: “applied for; provided that applications for domestic water use within municipalities shall conform to all applicable municipal ordinances enacted pursuant to NMSA 1978, § 3-53-1.1; and provided that as part of an”

GAC/ar:njw