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FISCAL IMPACT REPORT

SPONSOR Ingle LAST UPDATED _____
ORIGINAL DATE 02/15/23
SHORT TITLE Macho Draw Channel Repair BILL NUMBER Senate Bill 349
ANALYST Sanchez

APPROPRIATION* (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
500.0		Nonrecurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

No Response Received

Department of Environment (NMED)

Energy, Minerals and Natural Resources Department (EMNRD)

Office of the State Engineer (OSE)

SUMMARY

Synopsis of Senate Bill 349

Senate Bill 349 appropriates \$500 thousand from the general fund to the Local Government Division of the Department of Finance and Administration for the purpose of providing funds to the Chaves County Flood Commission to repair the bottom and banks of the Macho Draw channel to prevent scouring and erosion.

This bill does not contain an effective date and, as a result, would go into effect June 16, 2023, (90 days after the Legislature adjourns) if signed into law.

FISCAL IMPLICATIONS

The appropriation of \$500 thousand contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY25 shall revert to the general fund.

SIGNIFICANT ISSUES

Analysis from the Department of Finance and Administration (DFA) cites research indicating maintenance of waterways in New Mexico is a priority in times of decreased supply and states, “Optimizing New Mexico’s intra-state water systems is advisable given potential changes to the Rio Grande Compact and other water sharing legislation.” However, the analysis did not include any indication the bill would significantly impact operations, performance, or administrative outcomes at DFA.

ALTERNATIVES

Analysis from the Department of Finance and Administration states: “An alternative to appropriating these funds to LGD may be to appropriate them directly to the NMED. This department already has the expertise and resources for large water project oversight and could administer this project.”

However, because the bill, as written, did not put forth any responsibilities for the Department of Environment, the agency declined to offer any analysis. Consequently, the fiscal implications for the alternative proposed by DFA cannot be evaluated.

SS/rl/hg