

# New Mexico Office of the State Engineer/ Interstate Stream Commission



## FY27 Budget Priorities

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# Vision for New Mexico



## Modernize the agency

- Retain and recruit highly qualified staff
- Catch up to 21<sup>st</sup> century technologies, including expanded measurement and metering
- Emphasis on stronger enforcement capabilities

## Focus on the Rio Grande

- Invest in the Lower Rio Grande through implementation of the proposed TX v NM U.S. Supreme Court Settlement
- Keep water flowing to Elephant Butte Reservoir through more focused work in the Middle Rio Grande

## Plan for New Mexico's water future

- Advance and track implementation of the 50-Year Water Action Plan
- Re-envision regional water planning through continued implementation of the 2023 Water Security Planning Act
- Prioritize further progress on Indian Water Rights Settlements



# FY27 Budget Objectives

## to meet New Mexico's legal obligations

(dollars in thousands)	FY26 Agency Need:	2026 HB2:	Agency FY27 Req:	FTEs
<b>Sec. 4 Recurring Executive Initiatives:</b>				
Indian Water Rights Settlement implementation water	500.0	-	467.8	4.0
Middle Rio Grande staffing for administration and	500.0	-	384.4	3.0
Additional office space in Albuquerque and Las Cruces	500.0	150.0	150.0	
<i>Total Recurring Initiatives:</i>			<b>\$ 1,002.2</b>	
<b>Sec. 5 and 7 Non-Recurring Appropriation Items:</b>				
Rio Grande litigation/settlement implementation thru FY29*	5,000.0	5,000.0	50,000.0	
New Indian water rights settlement activities thru FY29	35,000.0	25,000.0	35,000.0	
Implement WSPA, 50YR Plan & modernize agency	5,000.0	5,000.0	5,000.0	
Capitalize Strategic Water Reserve Fund			15,000.0	
Rio Grande River conveyance work on thru FY29 (non-capital)			6,000.0	
Colorado River litigation and avoidance thru FY29*			2,000.0	
Acequia funding thru FY29 (non-capital)			2,000.0	
One-time trust fund infusion (IWCF)			15,000.0	
W.A.T.E.R.S. database replacement planning (IT C2)	1,000.0	500.0	1,500.0	
<i>Total Section 5 and 7 Special Appropriations:</i>			<b>\$ 131,500.0</b>	



# Staffing Accomplishments and Challenges



## Accomplishments:

- Completed a record number of recruitments and retention actions in last 12 months and lowered our vacancy rate to 19%
- Recruited 103 of our 372 positions over the past 16 months, representing 27.6% of our current workforce
  - 39 External hires
  - 56 Internal hires/advancements
  - 7 OSE rehires

## Challenges:

- 315 of our 372 positions require 4+ year college degrees, licensure and specialization
  - Attorney positions: 53
  - Engineers/Water Resources positions: 262
- Most of remaining 58 positions are in specialized fields of Science, IT, HR and Finance
- We compete against the oil & gas industry, engineering firms, laboratories, private industry, and other governmental entities for our specialized positions



# Lower Rio Grande Sustainability



**Implementation of the proposed TX v NM U.S. Supreme Court Settlement will protect the economic and cultural vitality of the region.**

**\$50M special appropriation request for FY27 will:**

- Support depletions reductions (water rights acquisitions) necessary to bring the aquifer back into balance
- Enable further efforts to develop alternative supplies including stormwater, brackish water, water importation and water reuse
- Ensure active engagement with local stakeholders toward long-term solutions

**Major Accomplishments:**

- ~12,000-16,000 acre-feet of conserved groundwater
- Stormwater management partnership with Elephant Butte Irrigation District
- Investigations for managed aquifer recharge and brackish water characterization
- Coordination with NGOs on federal funding for habitat enhancement projects
- Convening of the Lower Rio Grande Water Alliance stakeholder group
- Installation of 175 new groundwater meters with radio telemetry



# 50-Year Water Action Plan + Regional Planning



**Further implementation of the 50-Year Water Action Plan, including the Water Security Planning Act, is needed to ensure communities across the state are preparing for and responding to climate change impacts to water resources.**

**\$5M special appropriation for FY27 will:**

- Further statewide water education efforts, including K-12 and water workforce development
- Enable convening of the future regional water planning councils in 2026
- Provide for enhanced online engagement and data access capabilities

**Major Accomplishments:**

- Robust public and tribal engagement to shape the regional water planning framework, rulemaking to be completed in January
- Over 1.4 million views of water education videos promoted through the Main Stream NM campaign

# Indian Water Rights Settlements



**Prioritizing continued historic progress on Indian Water Rights Settlements will help resolve long-standing claims and provide clarity to all water users planning around shared water sources.**

**\$35M special appropriation + \$467,800 increase in General Fund for FY27 will:**

- Make progress toward completing the non-federal share of the settlement costs – leveraging over \$2 billion in federal funding
- Ensure sufficient staffing and equipment exists

## **Major Accomplishments:**

- Completed Annual Report on status/funding needs documenting:
  - Continuing implementation of Navajo-Gallup, Taos and Aamodt
  - Completed negotiation of: Rio San Jose (Acoma, Laguna, Navajo); Jemez (Jemez, Zia); Rio Chama (OhKay Owingeh); Zuni
  - Negotiations in progress for Santa Cruz/Truces (Ohkay Owingeh, Santa Clara, San Ildefonso, Nambe); Middle Rio Grande (Cochiti, Kewa, San Felipe, Santa Ana, Sandia, Isleta); San Juan (Ute Mountain Ute); Zuni (Navajo)



# Middle Rio Grande Investments

**New Mexico must ensure continued Rio Grande Compact compliance through increased deliveries to Elephant Butte Reservoir.**

**\$6M special appropriation and \$384,400 recurring increase for FY27 will:**

- Support staffing required for increased monitoring and enforcement
- Continue development of a comprehensive groundwater metering program, including creating of a Water Master District to handle metering and field checks
- Engage stakeholders on comprehensive drought management plans, including reducing depletions and improving predictability for water users
- Support planning, design, and implementation of major river conveyance projects

**Major Accomplishments:**

- Completion of Rio Chama sediment management/water conveyance project
- Planning, design, and compliance of sediment management/water conveyance construction project in the Elephant Butte Delta
- Creation of Enforcement & Compliance Team, including pond compliance project
- Initiation of hydrographic survey to complete the Middle Rio Grande adjudication







# Other Priorities



## **Strategic Water Reserve**

- \$15M will help protect stream flows for compact and species purposes and requires an infusion of funding into the new SWR fund established in the 2025 legislative session

## **Water Data Act**

- \$1.5M to move the WATERS database modernization initiative into planning phase

## **Trust Fund Sustainability**

- \$15M infusion will address ongoing concerns about the long-term solvency of the fund

## **Colorado River Negotiations/Litigation**

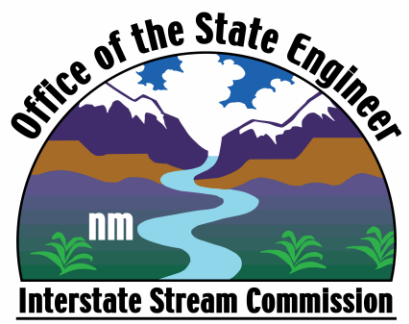
- \$2M will ensure that New Mexico has the technical and legal resources it needs to protect New Mexico's water users as the Basin States negotiate guidelines for the post-2026 operations of Lake Powell and Lake Mead

## **Acequia Infrastructure + Disaster Response**

- \$2M will complement the Acequia and Community Ditch Infrastructure Fund to ensure that historic infrastructure is rehabilitated and supports the culture and heritage of the communities within NM that rely on acequias for their livelihood

## **Office Space / Staff Accessibility**

- \$150K for additional office capacity in LRG and MRG as agency mission shifts south



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Thank you