

**NOTE: As provided in LFC policy, this report is intended for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used in any other situation.**

**Only the most recent FIR version, excluding attachments, is available on the Intranet. Previously issued FIRs and attachments may be obtained from the LFC office in Suite 101 of the State Capitol Building North.**

**FISCAL IMPACT REPORT**

SPONSOR:	Lujan	DATE TYPED:	02/03/00	HB	418
SHORT TITLE:	Acequia Parciante Claims Pilot Project			SB	
				ANALYST:	Pickering

**APPROPRIATION**

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
NFI	\$ 60.0	NFI	NFI	Recurring	General

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates SB381

**SOURCES OF INFORMATION**

Department of Finance and Administration (DFA)

Office of the State Engineer / Interstate Stream Commission (OSE/ISC)

## **SUMMARY**

### Synopsis of Bill

HB418 appropriates \$60.0 from the general fund to the local government division of the department of finance and administration for expenditure in FY2001 to address parciant claims along five water stream systems in Northern New Mexico. These adjudications involve the Rio Santa Cruz, Rio Truchas, Rio Chama, Rio Pueblo de Taos and, Rio Hondo stream systems. Adjudications mentioned in the bill that do not need additional funds include the Red River and Jemez River systems.

No part of the appropriation may be expended by community acequias or their members to retain attorneys to represent acequias or their members in any judicial proceeding involving an individual member's water rights claims.

## **CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP**

HB418 duplicates and continues legislation enacted in the 1999 General Appropriation Act (Laws 1999, Chapter 3, Section 4, Department of Finance, subsection 7 (ee). This builds on the same language and appropriations passed and signed into law for FY2000. The five acequia systems are currently under contract to address parciant claims, in coordination with OSE, to help expedite outstanding water rights claims while treating acequia members in the fairest way possible.

## **SUBSTANTIVE ISSUES**

House Bill 418 appropriates \$60.0 in general fund. Similar to the 1999 GAA, the present bill continues the limitation that no part of the appropriation may be expended by community acequias or their members to retain attorneys to represent acequias or their members in any judicial proceeding involving an individual

member's water rights claims.

According to OSE, traditional community acequias and their members have a limited financial ability to retain the necessary consultants for the correction of errors and omissions that occur during water rights adjudications. Hence, the agency maintains the bill will assist acequias and their members to correct these errors through negotiation with other parties. Consequently, if HB418 is not passed, OSE believes these errors may go uncorrected. Additionally, resolution of claims will occur in an adversarial process, rather than through consultation and negotiation.

RP/njw:pr