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FISCAL IMPACT REPORT

SPONSOR: Lujan DATE TYPED: 02/24/01 HB 889
 SHORT TITLE: Improve Water Rights Adjudication Process SB _____
 ANALYST: Hayes

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	\$ 100.0			Non-recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Administrative Office of the Courts (AOC)

No Response
State Engineer

SUMMARY

Synopsis of Bill

HB889 appropriates \$100.0 from the general fund to the Administrative Office of the Courts for the purpose of conducting a study of the current process of handling water rights cases and to recommend improved procedures.

Significant Issues

- This bill has been introduced at the request of the State Engineer who is concerned at the slow pace of resolving water rights issues in New Mexico according to the AOC.
- The AOC is not aware of the substantive and procedural issues of concern to the State Engineer. However, the AOC would address all issues of concern to lawyers, litigants and judges in regards to water rights if this study were conducted.
- The study itself would identify administrative and fiscal implications of changes to the process of adjudicating water rights issues in the state. It would additionally focus on proposals for prioritization of ground water basins and stream systems, plus simplifying the litigation process for all litigants and expediting the completion of adjudications.

FISCAL IMPLICATIONS

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The appropriation of \$100.0 contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of 2002 shall revert to the general fund.

AOC has not analyzed the costs of such study; however, the amount appropriated appears to be adequate to initiate a study. In the bill itself, there is little to indicate how the funds would be utilized.

OTHER SUBSTANTIVE ISSUES

It is suggested that a delay be considered before acting on this bill since the State Engineer has not responded to the LFC's request for an analysis. While it is clear that the AOC is aware of water rights issues and adjudication processes, it appears there was little consultation between the State Engineer and AOC regarding this proposed study and \$100.0 appropriation.

CMH/ar