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FISCAL IMPACT REPORT

SPONSOR: Stewart DATE TYPED: 03/03/03 HB 114/aHENRC/aHAGC

SHORT TITLE: Permit Use of Gray Water SB _____

ANALYST: Valenzuela

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			\$25.0	Non-recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates Senate Bill 113

SOURCES OF INFORMATION

Legislative Finance Committee files

Responses Received From
 Department of Environment
 Commissioner of Public Lands
 Energy, Minerals and Natural Resources Department
 Office of the State Engineer

SUMMARY

Synopsis of HAGC Amendment

The House Agriculture and Water Resources Committee (HAGC) amendment to House Bill 114 adds an emergency clause to the bill.

Synopsis of the HENRC Amendment

The House Energy and Natural Resources Committee amendment to House Bill 114 adopts the amendment proposed by the Department of Environment to ensure proper use and management of gray water. Gray water contains residual pathogens and can harm public health. The amendments also align terminology with existing and related statutes.

Synopsis of Original Bill

House Bill 114 amends the Water Quality Act by adding a gray water definition and by adding a subsection allowing gray water use of less than 250 gallons/day for private residential gardening, composting or landscape irrigation. The bill establishes the conditions by which homeowners will be able to conserve drinking water by using gray water for gardening and landscaping activities.

Significant Issues

The U.S. Environmental Protection Agency (EPA) has reported that, nationally, lawn care accounts for about 32 percent of the total residential outdoor water use. Though a national figure, HB 114 proposes to capitalize on this potential water conservation opportunity. The Office of the State Engineer points out that many communities use treated wastewater as return flow in their strategy to maximize consumptive use for its ratepayers and that residential gray water use could decrease these return flow volumes. On the other hand, the EPA argues that decreased inflows to wastewater facilities could improve efficiency and infrastructure reliability.

FISCAL IMPLICATIONS

House Bill 114 does not contain an appropriation. Enactment would have an administrative and fiscal impact on the Department of Environment, who would be required to develop regulations for action by the Water Quality Control Commission. The primary costs would be for attorney fees and technical staff time in preparation for rulemaking proceedings. The Groundwater Bureau with the NMED would have to cover these costs, estimated at \$25.0 of attorney fees and staff time. NMED would likely use its general fund appropriation to cover this cost if not given a specific appropriation.

TECHNICAL ISSUES

NMED identifies the following technical issues:

- The phrase “sewage collection” should be changes to “sewer system,” as defined in the Water Quality Act.
- Because gray water contains residual pathogens, language should be added to 74-6-4.L which states: “Gray water is applied in a manner that minimizes the potential for contact with people or domestic pets”.
- The provision allowing standing gray water to remain on the surface for up to 24 hours should be deleted due to the potential for human or animal contact with pathogens.
- Paragraph 74-6-4.L(7) should be modified to state: “ponding is prohibited, application of gray water is managed to minimize standing water on the surface and to ensure that the hydraulic capacity of the soil is not exceeded”.
- A paragraph should be added to 74-6-4.L which states: “Gray water is applied within 24 hours of collection”.
- A provision should be added to 74-6-4.L to prohibit discharge to a watercourse. Note that “watercourse” is a defined term in 20.6.2.7.AAA NMAC.