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FISCAL IMPACT REPORT

SPONSOR Sanchez, M DATE TYPED 2/12/04 HB _____

SHORT TITLE State Engineer Water Rights Hearing Changes SB 383/aSfI#1

ANALYST Wilson

APPROPRIATION

| Appropriation Contained | | Estimated Additional Impact | | Recurring or Non-Rec | Fund Affected |
|-------------------------|------|-----------------------------|------|----------------------|---------------|
| FY04 | FY05 | FY04 | FY05 | | |
| | | | NFI | | |
| | | | | | |

SOURCES OF INFORMATION

LFC Files

Responses Received From
State Engineer's Office (SEO)

SUMMARY

Synopsis of SFI Amendment #1

The Senate Floor Amendment #1 removes the requirement that any person, firm or corporation or other entity objecting to the granting of an application must show substantial and specific impairment in order to have standing.

Synopsis of Original Bill

Senate Bill 383 amends the law to eliminate the currently mandatory requirement that hearing examiners appointed by the SEO be knowledgeable in "water engineering" and requires instead hearing officers to have knowledge of "water engineering or hydrology", but only "if necessary".

This bill clarifies that administrative hearings shall generally be conducted in accordance with the Rules of Civil Procedure.

This bill states that the objections of protestants of water rights applications must describe specifically how the granting of the application will substantially impair the protestant's water right in order for the protestant to have standing. State government entities would remain substantially exempt from this standing requirement.

Significant Issues

In order to have standing, protestants must show specifically that the granting of a water rights application by the SEO will substantially impair the protestant's existing water right. State-government protestants objecting to the granting of the application because it would be contrary to conservation of water, or detrimental to public welfare, would continue to be exempt from this standing requirement.

The SEO believes this bill will help water rights applicants by eliminating non-substantive or frivolous protests to water rights applications, and thus expediting the water rights permitting process.

FISCAL IMPLICATIONS

By helping to expedite the water rights permitting process, enactment of SB 383 may reduce the costs of the hearing process.

ADMINISTRATIVE IMPLICATIONS

Enactment of SB 383 would help water rights applicants by eliminating non-substantive or frivolous protests to water rights applications, thus expediting the water rights permitting process. By helping to expedite the water rights permitting process, enactment of SB 383 may reduce the costs of the hearing process.

DW/yr:dm