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## FISCAL IMPACT REPORT

SPONSOR Duran DATE TYPED 2/7/04 HB \_\_\_\_\_  
 SHORT TITLE Tularosa Creek Water Storage System Study SB 519  
 ANALYST Maloy

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$365.0		See Narrative	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates HB 282.

### SOURCES OF INFORMATION

LFC Files

#### No Responses Received From

Office of the State Engineer  
 Department of Finance and Administration  
 Environment Department  
 Energy, Minerals and Natural Resources Department

### SUMMARY

#### Synopsis of Bill

Senate Bill 519 appropriates \$365 thousand from the general fund to the Office of the State Engineer, Interstate Stream Commission, for expenditure in FY05 for a feasibility study for constructing reservoir at Tularosa Creek, and a pipeline to deliver stored water to the Tularosa community ditch association in Otero County.

Any unexpended or unencumbered balance remaining at the end of FY05 shall revert to the general fund.

#### Significant Issues

- If the study determines the reservoir and pipeline are feasible, additional revenue will likely be sought from the general fund for the construction. Thus, the expense is recurring.
- The Finance Authority has estimated New Mexico's water needs in excess of \$4.8 billion. In prioritizing projects, statewide needs and the opportunity to expand water resources are the key.

**SJM/dm:lg**