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FISCAL IMPACT REPORT

SPONSOR Marquardt DATE TYPED 1/31/04 HB 282
 SHORT TITLE Tularosa Creek Water Storage System Study SB _____
 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)

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

House Bill 282 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