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## FISCAL IMPACT REPORT

SPONSOR Herrera DATE TYPED 2/15/2005 HB 589

SHORT TITLE Animas Valley Watershed Hydrographic Survey SB \_\_\_\_\_

ANALYST Aguilar

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$100.0			Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

New Mexico Department of the Agriculture (NMDA)

Attorney General's Office (AGO)

Office of the State Engineer (OSE)

### SUMMARY

#### Synopsis of Bill

House Bill 589 appropriates \$100 thousand from the general fund to the Office of the State Engineer for the purpose of accomplishing a hydrographic survey of the Animas valley watershed and an adjudication of the water rights in the watershed.

HB 589 declares an emergency.

#### Significant Issues

The Animas Valley comprises approximately 425 square miles in the boot heel region of New Mexico. The primary source of water in the region is groundwater, with no perennial source of water available. This bill will provide funding to complete the hydrographic survey of the Animas Valley Underground Water Basin in southwestern New Mexico. The State Engineer was ordered to complete the adjudication of the Animas Valley Underground Water Basin by the Sixth Judicial Court in 2004.

The State Engineer notes the groundwater of this region flows north and west, providing potential impact scenarios on the Gila River in the Red Rock and Virden Valley sub-areas. A geothermal anomaly also exists in the basin that is the subject of suits between users and the federal government. Further, the basin boundaries are in close proximity to the US/Mexico border. Development in Mexico in the recent past has been substantial.

The cost of both a hydrographic survey and water rights adjudication are likely to be substantially larger than \$100 thousand.

### **PERFORMANCE IMPLICATIONS**

The completion of adjudications in the basin would assist the department in achieving performance targets relating to the percent of adjudications complete in the state.

### **FISCAL IMPLICATIONS**

The appropriation of \$100 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2006 shall revert to the general fund.

PA/yr