

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Hanosh DATE TYPED 2/25/05 HB 988

SHORT TITLE Rio San Jose Adjudication Settlement Project SB _____

ANALYST Aguilar

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$600.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 299

SOURCES OF INFORMATION

LFC Files

Responses Received From

Office of the State Engineer (OSE)

SUMMARY

Synopsis of Bill

House Bill 988 appropriates \$600 thousand from the general fund to the University of New Mexico for the purpose of establishing and administering the Rio San Jose adjudication settlement pilot project.

Significant Issues

Through this proposed three-year pilot project, the University of New Mexico would educate water rights claimants in the San Jose stream system about “the technical and scientific aspects of the adjudication, the adjudication process, the judicial process, communication skills, mediation, negotiation, effective settlements, the legal basis for each group’s claims and the different cultural approaches to water use and management.”

The State Engineer reports there is no guarantee that the water rights claimants who participate in the proposed pilot project will still be around when the Court begins to adjudicate non-Indian water rights in the San Jose adjudication.

The State Engineer notes the proposed pilot project is not well defined, causing confusion as to what the appropriation would actually buy. A related bill, HB 299, would appropriate \$332,400 to the University of New Mexico to provide education services and assistance to water rights claimants, but on a statewide basis.

FISCAL IMPLICATIONS

The appropriation of \$600 thousand dollars contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2008 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

The State Engineer notes HB 988 would require state engineer personnel to participate in meetings and other activities of the pilot project. This would presumably require travel to various locations in and around Grants by state engineer lawyers, hydrologists, and other technical staff. However, no additional funding is provided for this new mandate, and it is unclear how much time or how many personnel would be required to fulfill it

PA/lg