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FISCAL IMPACT REPORT

	ORIGINAL DATE 2-1-06		LAST UPDATED 2/8/06		HB 495/aHAGC
SPONSOR	Lujan, B.				
SHORT TITLE	ACEQUIA EDUCATION, ASSISTANCE & PLANNING				SB
			ANALYST	Hadwiger	

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$475.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

Office of the State Engineer (OSE)

SUMMARY

Synopsis of the HAGC Amendment

The House Agriculture and Water Resources Committee amendment to House Bill 495 would allow expenditure of the appropriation in FY07 and FY08. Any unexpended or unencumbered balance remaining at the end of FY08 would revert to the general fund.

Synopsis of Original Bill

House Bill 495 appropriates \$475 thousand from the general fund to the Local Government Division (LGD) of the Department of Finance and Administration (DFA) in FY07 for acequia education, technical, and planning.

FISCAL IMPLICATIONS

The appropriation of \$475 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY07 would revert to the general fund.

SIGNIFICANT ISSUES

DFA indicated the funds in this bill would be used

- \$150,000 for a service learning project that focuses on acequia history, governance, and water management. The project will be aligned with state educational standards and benchmarks and focus on communities with high concentrations of acequias such as Taos, Las Vegas, Mora, and Penasco.
- \$75,000 for promoting revitalization of small-scale agriculture and local food production; protecting acequia communities from emerging demands to transfer agricultural water rights from their regions of origin; instituting a comprehensive public education program about acequias involving various state agencies, museums, public schools, and higher education; and, engaging youth and community members in acequia preservation and conservation projects and agricultural revitalization.
- \$250,000 for continuation of technical assistance by the New Mexico Acequia Association to local acequias in the areas of Acequia Governance Training on Application of Geographic Information Systems to Acequia Water Management Training on Alternative Dispute Resolution Infrastructure Planning

DFA explained that unprecedented demands for acequia water due to such pressures as urbanization, drought, and climate change challenge their ability to sustain community-based traditions and water management practices. This bill will help update acequia bylaws, rules and regulations so that they incorporate various provisions of state law such as voting and election requirements, open meetings act compliance, easements definitions, and other issues; assist acequias to more actively manage and protect water rights that are part of their systems; provide acequias the ability to develop databases and maps compatible with the data used by the State Engineer; increase their capacity to provide a robust dispute resolution process to alleviate the costly burden of litigation; and assist acequias in developing Infrastructure Capital Improvement Plans to actively seek state and federal funding for infrastructure improvement.

The HAGC amendment allows more flexibility to spend the funds over two fiscal years.

ADMINISTRATIVE IMPLICATIONS

DFA already has an existing contract for \$200,000 with the NM Acequia Association to provide acequia education, assistance and planning. The contract could be amended to add new monies and duties.

DH/mt:yr