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FISCAL IMPACT REPORT

ORIGINAL DATE 1/25/06

SPONSOR Leavell LAST UPDATED _____ HB _____

SHORT TITLE Water Conservation & Resource Restoration SB 30

ANALYST Earp

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$500.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Senate Bill 33

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Department of Agriculture (NMDA)

Higher Education Department (HED)

Energy, Minerals and Natural Resources Department (EMNRD)

Office of State Engineer/Interstate Stream Commission (OSE)

SUMMARY

Synopsis of Bill

Senate Bill 30 would appropriate \$500,000 from the general fund to the Board of Regents of New Mexico State University for expenditure in fiscal year 2007 for soil and water conservation districts to match federal funds for water conservation and resource restoration technical assistance pursuant to an agreement with the United States Department of Agriculture Natural Resource Conservation Services.

FISCAL IMPLICATIONS

The appropriation of \$500,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

SIGNIFICANT ISSUES

This proposal was not submitted to the Higher Education Department by the Board of Regents of NMSU as a priority request for fiscal year 2007 funding. Therefore, it was not reviewed for possible inclusion in the HED funding recommendation.

ADMINISTRATIVE IMPLICATIONS

Although not specifically mentioned in the bill, the New Mexico Department of Agriculture (NMDA) provides support to the state's soil and water conservation districts and would likely administer this appropriation to the Board of Regents of NMSU.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This bill is related to Senate Bill 33 which appropriates \$550,000 for the operation and management of soil and water conservation districts.

OTHER SUBSTANTIVE ISSUES

The Office of the State Engineer (OSE) notes that, in discussions conducted by work groups of the New Mexico Drought Task Force, representatives from the OSE, the New Mexico Association of Conservation Districts, and the NMDA agreed that an emphasis should be placed on watershed management activities and monitoring work. The proposed research activities to be funded through this proposal might benefit that intent, and therefore they should be coordinated with the OSE and the Governor's Drought Task Force.

POSSIBLE QUESTIONS

Are federal matching funds currently available for this purpose?

DE/yr