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FISCAL IMPACT REPORT

ORIGINAL DATE 2/1/2007

SPONSOR Cervantes LAST UPDATED 2/7/2007 HB 302/aHEC

SHORT TITLE Utton Center Water Ombudsman Services SB _____

ANALYST McOlash

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$282.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 594 (Utton Center Ombudsman Services).

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Administrative Office of the Courts (AOC)

Office of the State Engineer/Interstate Stream Commission (ISC)

Higher Education Department (HED)

SUMMARY

Synopsis of HEC Amendment

The House Education Committee amendment strikes “IN WATER RIGHTS” from the bill title on page 1, line 13 and inserted in lieu thereof “FOR PENDING STREAM” ADJUDICATIONS.

The amendment also inserts the words “for pending stream adjudications” in place of specific reference to the San Juan, the Chama, and the lower Rio Grande water rights.

The amendment makes HB 302 (Utton Center Water Ombudsman Services) almost an exact duplicate of SB 594 (Utton Center Ombudsman Services).

Synopsis of Original Bill

House Bill 302 appropriates \$282,000 from the General Fund to the Regents of UNM for expenditure in FY 2008 for the Utton Transboundary Resources Center at the School of Law to provide ombudsman services on the San Juan, the Chama, and the lower Rio Grande water rights adjudication.

FISCAL IMPLICATIONS

The appropriation of \$282,000 contained in this bill is a recurring expense to the general Fund. Any unexpended or unencumbered balance remaining at the end of FY shall revert to the general Fund.

SIGNIFICANT ISSUES

The Utton Transboundary Resources Center was established at the University of New Mexico School of Law to carry on the work of the late Professor Albert E. Utton related to transboundary resource issues. Professor Utton, a visionary and man of diplomacy, was co-founder of The International Transboundary Resources Center (CIRT) and the Natural Resources Center (NRC) at the University of New Mexico School of Law. In January of 1999, a group of Professor Utton's colleagues met and determined to continue his work.

The Utton Center, in carrying out its mission to promote equitable and sustainable management and utilization of transboundary resources through impartial expertise, multi-disciplinary scholarship, and preventive diplomacy brings together multidisciplinary teams for academic research and field work projects. Solutions for complex transboundary resource issues are reached using preventive diplomacy and fact-based analysis. The Utton Center examines and analyzes the problems, develops teams to collaborate on solutions, and helps avoid costly litigation while fostering sustainable resource management plans.

A proposal requesting an additional \$120,000 was submitted to the HED by UNM but was not included in the Department funding recommendation for FY08. The Department did recommend a continuance of the FY07 recurring funding in the amount of \$140,000.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB 302 ((Utton Center Water Ombudsman Services) and SB 594 (Utton Center Ombudsman Services) both appropriate \$282,000 from the General Fund for the Utton Transboundary Resources Center for stream adjudications. They, however, are not duplicates.

The General Appropriation Act (HB 7/SB 2) appropriate \$140,000 for the Utton Transboundary Resources Center.

OTHER SUBSTANTIVE ISSUES

ISC Analysis

The ombudsman services for the lower Rio Grande water rights adjudication under this appropriation would assist in the implementation of a new case management order entered by the adjudication court that will require the State to immediately serve process on approximately 7,750 previously enjoined water rights claimants. Compliance with the new case management order will, in the short term, impose a large additional burden on the Office of the State Engineer (“OSE”), which is the staff that supports water rights adjudications filed by the State. The extent to which the ombudsman services provided for by this appropriation would relieve some of this additional burden on the State is uncertain.

By providing information to the public about water rights, and assisting water rights claimants and the courts in adjudication of water rights, it is anticipated that the ombudsman services funded by this appropriation could reduce the amount of litigation required for settlement of water rights claims.

BM/nt