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FISCAL IMPACT REPORT

ORIGINAL DATE 1-17-2008

SPONSOR Beffort LAST UPDATED _____ HB _____

SHORT TITLE Wireless Soil Sensing System Demonstration SB 44

ANALYST Woods

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$500.0	Recurring	General

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Office of the State Engineer (OSE)

SUMMARY

Synopsis of Bill:

Senate Bill 44 seeks to appropriate \$500,000 from the general fund to the Office of the State engineer for expenditure in fiscal year 2009 to conduct the phase 2 demonstration of a wireless soil sensing system on irrigated cropland. Any unexpended or unencumbered balance remaining at the end of fiscal year 2009 shall revert to the general fund.

SIGNIFICANT ISSUES

OSE indicates that this bill will fund a demonstration project for wireless soil moisture sensing on irrigated cropland and is based on a Governor's innovation Fund Project. The project will provide an assessment of advances in irrigation scheduling via aforementioned wireless soil sensors. There is a lack of technology that provides easily assessable soil moisture data that can be readily incorporated into farmer's irrigation scheduling. Improved irrigation scheduling has the potential of increasing yields, while decreasing raw water diversions. The demonstration project will study the practical use of the technology, assess the changes in on-farm water consumption, and changes in on-farm diversions.

OSE adds that the project will also assess the water right implications from any documented conserved water. The water allowance statute (NMSA 72-5-18) was amended in 2007 to allow

for an application to the Office of the State Engineer (OSE) for a change in the point of diversion or place and purpose of use of the quantity of conserved water. However, the OSE has not been provided with any additional FTEs or other budget to establish application criteria. This project will provide an opportunity for the agency to assess what information is necessary to administer and approve applications submitted under 72-5-18.

PERFORMANCE IMPLICATIONS

OSE advises that it has received at least one application filed under the recently modified 72-5-18 water allowance statute, and that applications are anticipated to increase as more water users become aware of this change to the statute. Further that the demonstration project will be scoped to assess what information is necessary for applications, evaluation procedures and any approval conditions necessary for these kinds of applications.

ADMINISTRATIVE IMPLICATIONS

This project will impact the OSE with approximately 0.25 FTE. It is anticipated that this will be absorbed into existing FTEs.

BFW/mt