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FISCAL IMPACT REPORT

ORIGINAL DATE 02-03-09

SPONSOR Garcia, M.P. LAST UPDATED _____ HB 248

SHORT TITLE Telesfor Armijo Acequia Improvements SB _____

ANALYST Aubel

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$25.0	Nonrecurring	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/Interstate Stream Commission (ISC)

SUMMARY

Synopsis of Bill

House Bill 248 appropriates \$25 thousand from the general fund to the Local Government Division of the Department of Finance and Administration to contract with the Middle Rio Grande Council of Governments for improving the Telesfor Armijo Acequia in the Atrisco area of the south valley in Bernalillo County in FY10.

FISCAL IMPLICATIONS

The appropriation of \$25 thousand contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY10 shall revert to the general fund.

According to the December 2008 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$293 million, or 2.6 percent, less than the FY09 appropriation. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

SIGNIFICANT ISSUES

According to DFA, the Middle Rio Grande Conservancy District is responsible for the administration, management and control of water delivery through the historic acequias in the region under its jurisdiction, including the Telesfor Armijo Acequia. The department notes that ongoing litigation surrounds the administration of the acequias in the middle Rio Grande corridor.

ADMINISTRATIVE IMPLICATIONS

The Local Government Division of the Department of Finance and Administration would need to write the contract and oversee its implementation.

TECHNICAL ISSUES

DFA notes that HB 248 names the Middle Rio Grand Council of Governments as the entity responsible for providing the services. However, according to the agency, the bill needs to clarify if the intended contract recipient is the Mid-Region Council of Governments or the Middle Rio Grande Conservancy District.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

POSSIBLE QUESTIONS

1. Are the improvements desired for this acequia?
2. Are they emergency in nature?
3. What other funding sources are available for improving the acequia?

MA/mc