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FISCAL IMPACT REPORT

ORIGINAL DATE 02/20/13

SPONSOR Griego LAST UPDATED _____ HB _____

SHORT TITLE Regional & Statewide Water Planning SB 454

ANALYST McCoy

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
NFI	\$400.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates, Relates to, Conflicts with, Companion to SB 481, HJM 9, SB 135, SB 449, HB 470
Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

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

SUMMARY

Synopsis of Bill

Senate Bill 454 appropriates \$400.0 thousand from the general fund to the Interstate Stream Commission to update three regional water plans and maintain the statewide water plan.

FISCAL IMPLICATIONS

The appropriation of \$400.0 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2014 shall revert to the general fund.

SIGNIFICANT ISSUES

The OSE notes, with intent to ensure New Mexicans an adequate supply of water the 1987 legislature authorized the Interstate Stream Commission (ISC) to grant funding and technical support to the state's 16 water planning regions. The regional planning program was created to enable regions to locally assess water demands and supplies and identify solutions to meet future

water needs. The state invested almost \$4 million to develop the 16 regional water plans over the past twenty years. The OSE/ISC notes, all 16 regions have ISC-accepted regional water plans; however, some were completed in the late 1990s and many others are not geared toward addressing current water challenges and shifting priorities. The OSE/ISC reports, despite persistent drought, legislative funding dropped to \$55,000 in 2009, and to zero in the previous three years.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB 454 relates to the House Appropriations and Finance Committee substitute for HB 2. On page 208, line 32, the committee substitute for HB 2 appropriates \$400.0 thousand from the general fund to the OSE/ISC to update regional and state water plans as a special appropriation. The committee substitute for HB 2 also contains the following language: The Interstate Stream Commission shall report to the interim Water and Natural Resources Committee on the progress and content of the water plans.

SB 454 relates to SB 481, which appropriates \$400,000 to the ISC to update regional water plans statewide. SB 454 is related to HJM 9, which requests priority funding to update the regional water plan in Mora-San Miguel-Guadalupe counties. SB 454 is related to SB 135 which appropriates \$400,000 to the ISC to update the lower Rio Grande regional water plan in fiscal years 2014 and 2015. SB 454 is related to SB 449 and HB470 which both appropriate \$50.0 thousand to contract with a lower Rio Grande water rights organization to develop a water management plan to help lower Rio Grande farmers to manage their irrigation waters more effectively and efficiently.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

According to the ISC, without funding, the agency cannot maintain a regional or statewide planning program and cannot provide water planning support and technical assistance to regions requesting and needing to update their plans. The ISC notes, as water problems increase in magnitude statewide, existing regional water plans will be outdated and ineffective in addressing mounting water crises.

AMENDMENTS

The amendment recommended by the OSE/ISC below would allow the ISC greater flexibility in the number of regional water plan updates that it could support. The OSE/ISC recommends the following amendment to SB 454:

On line 18, strike “three”.

MTM/blm