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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/25/13

SPONSOR Campos LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE NM Irrigation Works Fund for Acequias SB 546

ANALYST Weber

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
	\$10,880.0	Nonrecurring	NM Irrigation Works Construction

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

### SUMMARY

#### Synopsis of Bill

Senate Bill 546 (SB 546) appropriates \$10.88 million from the New Mexico Irrigation Works Construction Fund for expenditure in Fiscal Year 2014 for the purpose of planning, construction and related expenses for numerous acequias.

### FISCAL IMPLICATIONS

The appropriation of \$10.88 million contained in this bill is a nonrecurring expense to the New Mexico Works Construction Irrigation Fund. Any unexpended or unencumbered balance remaining at the end of FY2014 shall revert to the New Mexico Works Irrigation fund.

Expenditures from the Irrigation Works Construction Fund have exceeded the annual fund revenue of \$7.7 million. The Legislative Finance Committee (LFC) projections show a balance at the end of FY14 in the Irrigation Works Construction Fund of \$8.3 million. This is less than the \$10.88 million appropriation contained in the bill.

The LFC projections to the end of FY15 anticipate a balance of \$1.2 million without the \$10.88 million appropriation in SB 546. Just to support the Office of the State Engineer's (OSE) current level of recurring expenditures the agency will require an increase from general fund in FY16 of over \$10.0 million. Any additional appropriations from the fund would only hasten this potential requirement from the general fund.

Current, but not final, FY14 appropriations to the OSE in HB 2 include \$500,000 to make loans to acequia, irrigation and conservancy districts for irrigation improvements.

## **SIGNIFICANT ISSUES**

The acequias included are:

de Llano de San Juan Neopumuceno, 1892 Luna irrigation ditch association, west puerto de Luna, acequia Cañon de Luna, acequia de la Aguila, acequia de Rainsville norte, Tularosa ditch association, acequia de la Plaza de Dixon, acequia del medio de Coyote, acequia de San Rafael del Guique, northside acequia madre de Villanueva, Ponderosa community ditch, San Ysidro community ditch, acequia del Barranco de Jacona, acequia larga de Jacona, acequia de los Chupaderos, acequia de la Otra Banda, acequia de la Cienega, acequia del monte del Rio Chiquito, las colonias community ditch, acequia de San Jose and acequia de la Isla, acequias de Chamisal y Ojito, acequia de los Pinos, Los Ranchos de atrisco acequia, west Pecos community ditch, cebolletita acequia, acequia de la Madera, acequia de la Mesa Prieta, acequia de la Posecion, acequia de los Ranchos, acequia del Llano-Dixon, acequia del Rincon, Cecilia ditch Gallina, Gallina community ditch, Archibeque ditch, acequia del Portrero, acequia de arriba del llano de San Miguel, acequia de la Sevadilla, acequia del Canon, acequia de Canoncito de la Cueva, acequia Venita de Teodoro Romero, Placitas reservoir, Talpa reservoir, acequia de Agua Fria, acequia Otra Banda-Canjilon, east puerto de Luna, Indian ditch, Rosario Lopez community ditch, Nacimiento ditch, Vadito southside ditch, Los Prandos, Ceboyetita acequia, la Madera acequia, San Francisco de Pauda ditch, los Gallegos acequia, acequia Encinal y Canoncito, acequia del Medio, acequia venita de Teodoro Romero, Hormigoso ditch, vado de Juan Pais, Tecolotito ditch, upper Anton Chico ditch and lower Anton Chico ditch.

## **TECHNICAL ISSUES**

The OSE note the following:

- No specific dollar amounts are assigned to specific acequias. Just investigating, scoping, and providing preliminary engineering assessments would likely take more than one fiscal year, therefore, it will not be possible to complete the task in the time frame envisioned by the bill.
- The majority of acequia's listed in SB 546 are in compliance with statutory requirements in that they are considered Political Subdivisions of the State. However there are a few that would require bylaw submittals in order to establish status

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