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FISCAL IMPACT REPORT

SPONSOR Campos LAST UPDATED 3/6/2023
ORIGINAL DATE 2/15/2023
BILL
SHORT TITLE Acequia & Community Ditch Ed Program NUMBER Senate Bill 272
ANALYST Hanika-Ortiz

APPROPRIATION* (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
	\$200.0	Nonrecurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Relates to appropriation in the General Appropriation Act

Sources of Information

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Senate Bill 272

Senate Bill 272 (SB272) appropriates \$200 thousand from the general fund to the Local Government Division at DFA for its Acequia & Community Ditch Education Program.

This bill does not contain an effective date and, as a result, would go into effect June 16, 2023, (90 days after the Legislature adjourns) if signed into law.

FISCAL IMPLICATIONS

The appropriation of \$200 thousand in this bill is a nonrecurring expense to the general fund for expenditure in FY24. Any unexpended or unencumbered balance remaining at the end of FY24 shall revert to the general fund.

The current House Appropriations and Finance Committee Substitute includes \$498.2 thousand from the general fund for the program in FY24 via a non-operating appropriation to DFA.

SIGNIFICANT ISSUES

DFA explains the Local Government Division at the department receives an annual appropriation in the General Appropriation Act for the Acequia & Community Ditch Education Program. The division procures services for this program through the RFP process and has a contract with the New Mexico Acequia Association. For the past five years, this appropriation has been \$398.2 thousand and the average reversion rate for these funds is about 14 percent annually.

PERFORMANCE IMPLICATIONS

The General Appropriation Act includes language for DFA non-operating appropriations that says funding will not be provided unless agencies are in compliance with their financial audit.

ADMINISTRATIVE IMPLICATIONS

The Local Government Division at DFA would need to issue a new request-for-proposal (RFP), if the intent of the bill is to expand education program services.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to a non-operating appropriation to DFA in the General Appropriation Act for this purpose.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The General Appropriation Act is expected to continue to include funding for the Acequia & Community Ditch Education Program via an annual non-operating appropriation to DFA. Funding amounts may fluctuate, however, depending upon the outcome of a legislative session.

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