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## FISCAL IMPACT REPORT

SPONSOR Gonzales/Jaramillo LAST UPDATED 2/5/24  
ORIGINAL DATE 2/5/24  
BILL  
SHORT TITLE Acequia & Community Ditch Funding NUMBER Senate Bill 266  
ANALYST Wan Smith

### APPROPRIATION\* (dollars in thousands)

FY24	FY25	Recurring or Nonrecurring	Fund Affected
	\$1,500.0	Nonrecurring	General Fund

Parentheses ( ) indicate expenditure decreases.

\*Amounts reflect most recent analysis of this legislation.

Relates to Senate Bill 197

### Sources of Information

LFC Files

Agency Analysis Received From  
Office of the State Engineer (OSE)  
Department of Agriculture (NMDA)

## SUMMARY

### Synopsis of Senate Bill 266

Senate Bill 266 appropriates \$1.5 million from the general fund to the acequia and community ditch fund for the purpose of providing grants to acequias and community ditch associations. The appropriation is for FY25 and subsequent fiscal years and shall not revert to the general fund.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, or May 15, 2024, if enacted.

## FISCAL IMPLICATIONS

The appropriation of \$1.5 million contained in this bill is a nonrecurring expense to the general fund. Although this bill does not specify future appropriations, multiyear appropriations, particularly if used to fund services and those services perform well, create an expectation the program will continue in future fiscal years; therefore, this cost could become recurring after the funding period.

Statute permits up to 5 percent of appropriations to the acequia and community ditch fund be used for administration of the grant program.

## **SIGNIFICANT ISSUES**

According to the Department of Agriculture (NMDA), the acequia and community ditch fund receives grant requests in excess of available funding every year. In the past five fiscal years, grant requests have ranged from \$833 thousand to \$1.5 million, while the fund's available resources were no more than \$832 thousand. NMDA administers the fund, which provides resources to acequia and community ditch associations for historical studies, economic impact reports, expert witness fees, legal fees, and other technical services to support the adjudication process.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Senate Bill 197 appropriates \$4.8 million from the general fund to the Interstate Stream Commission for acequia and community ditch projects in Taos County.

CWS/ss/ne/ss