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FISCAL IMPACT REPORT

SPONSOR: Foley DATE TYPED: 01/30/01 HB 122/aHAGC
 SHORT TITLE: Flood Plain Regulation SB _____
 ANALYST: Dotson

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
NFI					

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Environment Department
 Department of Public Safety

SUMMARY

Synopsis of HAGC Amendment

The amendment changes the certification requirement for the flood plan manager from a national program to a state certification program.

Synopsis of Original Bill

The bill provides additional county and municipal approval for development within a designated flood or mudslide hazard area.

Significant Issues of Original Bill

Development in a flood plain of mudslide hazard area must be approved by a local flood plain manager. Counties or municipalities may seek assistance from the Department of Public Safety, the Department of Environment or the construction industries Division of Regulation and Licensing Department.

FISCAL IMPLICATIONS

According to the Department of Public Safety, there will be no new requirement for appropriation. The Department of Public Safety is the State Coordination Agency for the National Flood Insurance Program (NFIP), which is funded under a grant from the Federal Emergency Management Agency

(FEMA) with a 75/25 match with the State of New Mexico.

According to the Department of the Environment, there would be minimal increase in costs to the Department of Environment. The establishment of a certified Flood Plain Manager in a county or municipality may have some positive impact on the ability of that county or municipality to access federal funds for flood control related activities. Establishing a Certified Manager with authority to approve or more importantly disapprove development in sensitive areas could prevent future costly actions to remediate problems, thus ultimately reducing future costs to the Department of Environment.

ADMINISTRATIVE IMPLICATIONS

According to the Department of Public Safety, the National Flood Insurance Program has been in the Department of Public Safety since 1992 with one FTE.

OTHER SUBSTANTIVE ISSUES

Property rights and property values can be dramatically influenced if flood managers withhold approval of a development.

POSSIBLE QUESTION

Can a property owner knowingly choose to develop in a flood plain without a local flood plain managers approval?

PD/prr:ar