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## FISCAL IMPACT REPORT

SPONSOR: Hurt DATE TYPED: 02/12/03 HB \_\_\_\_\_

SHORT TITLE: State Engineer's Aztec District Office SB 459

ANALYST: Chabot

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$339.9			Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
Office of the State Engineer (OSE)

### SUMMARY

#### Synopsis of Bill

Senate Bill 459 appropriates \$339.9 from the general fund to OSE for the purpose of a water master position and other staff positions in the Aztec sub-office of the State Engineer's District 5 office.

#### Significant Issues

OSE states the District 5 Aztec office has 2 permanent FTE and 1 term FTE to administer water rights, evaluate water right applications, create and maintain the San Juan Basin portion of the Water Administration Technical Engineer Resource System database and monitor 38 metered locations.

The drought has put in jeopardy water for the Navajo Indian Irrigation Project and the San Juan Chama Project because the water level in Navajo Dam is only marginally above the outflow pipe. Unexplained depletions from the rivers exacerbate the problem of dwindling water supplies. The Navajo Nation has requested active administration of water on the San Juan, Animas

and La Plata Rivers and the Bureau of Reclamation has requested priority administration on the rivers beginning with the growing session this year.

District Court judges have requested the State Engineer perform a hydrographic study of the basin so they can complete the adjudication process.

To fulfill these requests, OSE needs additional staff in the Aztec Office. This bill would allow the OSE to fund a water master position and additional staff of 5FTE. It would also allow the staff to move to a larger building to perform their duties.

### **FISCAL IMPLICATIONS**

The appropriation of \$339.9 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2004 shall revert to the general fund.

Section 72-3-4 NMSA provides that the State Engineer will prepare a budget for any water master and present it to the board of county commissioners so the county treasurer can include it in the budget distribution for the county. "The salary and expenses of the water master and of his assistants shall be paid monthly by the board of county commissioners..." If the role of the water master extends to more than one county, the costs are proportionally shared among the counties.

OSE should investigate whether the expense of the water master and assistants could be borne by the county governments or if the county government can provide additional office space to meet the District 5 needs at no expense to OSE.

### **POSSIBLE QUESTIONS**

1. If the state does not pay for the water master and assistants, will county governments pay the salaries and expenses as provided for by state statutes?

**GAC/njw**