NOTE: As provided in LFC policy, this report is intended only for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used for other purposes.

The most recent FIR version (in HTML & Adobe PDF formats) is available on the Legislative Website. The Adobe PDF version includes all attachments, whereas the HTML version does not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

| SPONSOR: | Gr | iego | DATE TYPED: | 02/10/03 | HB | | |
|------------|----|-----------------------|--------------------|----------|--------|--------|--|
| SHORT TITL | E: | Study Effect of Surfa | ace Water Use on A | quifers | SB | SJM 44 | |
| ANALYST: | | | | (ST: | Chabot | | |

APPROPRIATION

| Appropriation | on Contained | Estimated Add | litional Impact | Recurring or Non-Rec | Fund Affected |
|---------------|--------------|---------------|-----------------|-------------------------|------------------|
| FY03 | FY04 | FY03 | FY04 | | |
| | | | \$180.0 | Non-Recurring | General Fund |
| | | | | | |

(Parenthesis () Indicate Expenditure Decreases)

Duplicate of HJM 4

SOURCES OF INFORMATION

LFC Files

<u>Responses Received From</u> Office of the State Engineer (OSE) New Mexico State Highway and Transportation Department (NMSHTD) Department of Agriculture

SUMMARY

Synopsis of Bill

Senate Joint Memorial 44 requests OSE and NMSU cooperate in determining the impact of unregulated surface water impoundments on perennial streams and aquifers by establishing a task force to study the impacts. As a minimum, the task force will consist of a representative of the Acequia Association, Cattle Growers' Association, Soil and Water Conservation Districts, Farm Bureau, Livestock Bureau and the Northern New Mexico Stockman's Association. It resolves that a hydrologic study be conducted by NMSU in at least in the Mora and Lincoln county watersheds, impairment by impoundment in different hydrologic settings be determined, that data be collected for use in future determination and that administrative and enforcement guidelines be developed as a result of the study.

Senate Joint Memorial 44 -- Page 2

Significant Issues

The State Engineer is currently revising their <u>Rules and Regulations for Governing the Appropriation and Use of Surface Waters of the State of New Mexico</u>. These rules and regulations have been drafted and will be scheduled for public hearings. Any study requested by this memorial needs to be considered by the task force. An estimated 2 FTE's will be required to perform the research and analysis required by the memorial.

NMSHTD is concerned that restrictions placed upon surface water impoundments that are used during road construction could require trucking water considerable distance increasing costs. In addition, design changes may be required for drainage systems to handle increased discharge due to loss of the water impoundments.

FISCAL IMPLICATIONS

No appropriation is contained in this joint memorial. However, there will be a significant cost incurred by undertaking the effort required by the memorial. OSE estimates that \$180.0 will be required for staff expenses to complete the tasks requested by this memorial.

ADMINISTRATIVE IMPLICATIONS

OSE recommends delaying any actions related to this memorial until the new rules and regulations are promulgated.

GAC/prr