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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/1/2006

SPONSOR   Vaughn   LAST UPDATED \_\_\_\_\_ HB   685  

SHORT TITLE   Sacramento Mountain Hydrogeologic Study   SB \_\_\_\_\_

ANALYST   Earp  

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$1,252.5	Non-Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Senate Bill 565 and multiple House and Senate capital outlay requests

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Higher Education Department (HED)

Office of State Engineer (OSE)

New Mexico Department of Agriculture (NMDA)

### SUMMARY

#### Synopsis of Bill

House Bill 685 appropriates \$1,252,500 from the general fund to Board of Regents of New Mexico State University for the Otero Soil and Water Conservation District to fund a hydrogeologic study of the Sacramento Mountains, contingent upon the study being coordinated with the Bureau of Geology and Mineral Resources and the Office of the State Engineer (OSE).

### FISCAL IMPLICATIONS

The appropriation of \$1,252,500 contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2010 shall revert to the general fund.

It is noted that \$47,500 was appropriated for this purpose through Laws 2005, Chapter 34 (Senate Bill 190).

**SIGNIFICANT ISSUES**

This proposal was not included among the special program funding requests submitted by New Mexico State University to the Higher Education Department (HED) for review. Consequently, this proposal has not been included in the HED fiscal year 2007 funding recommendations to the Legislature.

**ADMINISTRATIVE IMPLICATIONS**

NMSU would bear responsibility for managing the appropriation made through this legislation, while the Otero soil and water conservation district would be primarily responsible for project administration.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

House Bill 685 is closely related to Senate Bill 565 which would appropriate \$1.2 million for this purpose. There are also multiple capital requests under consideration relative to this proposal.

**OTHER SUBSTANTIVE ISSUES**

The Otero Soil and Water Conservation District (SWCD) has communicated to NMDA that the proposed study is complementary to efforts of the OSE, USGS, and Bureau of Geology and Mineral Resources, and will provide additional information on the fate, distribution and availability of water in the Sacramento Mountains. A first phase of the project was funded by the legislature last year. Otero SWCD has been working closely with the Bureau of Geology and Mineral Resources on the project, and OSE has been included in stakeholder meetings as part of the coordination process.

The OSE reports that the Sacramento Mountains serve as the primary source of recharge for the Roswell, Tularosa and Salt basins. Surface and groundwater flows contribute to interstate deliveries on the Pecos River. The Salt Basin is being considered as an important source of potential water supply. Alamogordo and other communities rely on water supplies originating from the Sacramento Mountains. The hydrogeology of the area is complex and needs further evaluation. Surface water supplies are reported to be diminishing. Watershed changes have occurred over time and may be contributing to changes in water availability. Additional information on the hydrogeology is important to manage the water resources of the Sacramento Mountains and adjacent basins. Watershed management studies, where appropriate, would be useful to evaluate effects of change in watershed on water yield. OSE indicates that, due to complexity and size of the area, the appropriation may be inadequate.

DKE/mt