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## FISCAL IMPACT REPORT

ORIGINAL DATE 2-21-07

SPONSOR Cisneros LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Chimayo Youth Conservation Corps SB 1117

ANALYST Woods

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
NFI	\$150.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates HB1111; Relates to SB1020

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Energy, Minerals and Natural Resources Department (EMNRD)

Office of the State Engineer (OSE)

### SUMMARY

#### Synopsis of Bill

Senate Bill 1117 seeks to appropriate \$150,000 from the general fund to the New Mexico Youth Conservation Corps fund for expenditure in fiscal year 2008 for a grant to the Chimayo Youth Conservation Corps to establish the water restoration action strategies to manage the upper Chimayo watershed. Any unexpended or unencumbered balance remaining at the end of fiscal year 2008 shall revert to the general fund.

### SIGNIFICANT ISSUES

The Youth Conservation Corps (YCC) is administratively attached to the Energy, Minerals and Natural Resources Department (EMNRD).

As background, EMNRD notes that this legislation would provide \$150 thousand from the general fund to the New Mexico Youth Conservation Corps Fund for a direct grant to the Chimayo Youth Conservation Corps, a non-profit organization. YCC is a state agency youth

employment program that provides grants to state agencies, federal agencies, local government agencies, federally recognized Native American Tribes and organizations recognized by the Internal Revenue Service as a 501 (c)(3) (non-profit). The YCC Commission awards grants each year based on the YCC Act (NMSA 1978, Section 9-50-1 et seq. and Rules using a competitive evaluation and selection process. House Bill 1111 specifically states that \$150,000.00 shall go to the Chimayo Youth Conservation Corps, but does not require a competitive process.

EMNRD advises that, by requiring the YCC Commission to make a grant directly to the Chimayo Youth Conservation Corps without going through the competitive bidding process, HB 1111 violates the requirement for a competitive procurement selection process. However, the status of the Chimayo Youth Conservation Corps as a non-profit organization does not eliminate the requirement for competitive bidding.

OSE indicates that watershed conditions and acequias will continue aging with resulting deterioration and lost opportunities for water conservation. Accordingly, OSE supports appropriation for funding of acequia water conservation and education activities.

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

This bill duplicates HB1111. The bill is related to SB1020, which would appropriate funding in the same amount to the Environment Department to support a youth environmental conservation program in the broader area of Rio Arriba County.

### **ALTERNATIVES**

EMNRD suggests that SB1117 should be amended to provide that the money is to be used to award a grant for establishment of water restoration strategies in the Upper Chimayo Watershed and not identify the recipient of the grant. The Chimayo Youth Conservation Corps has received 4 grants in the last 5 years from the YCC Commission and would be eligible to apply for a grant. [See amendment below.]

### **AMENDMENTS**

EMNRD suggests the following language:

AN ACT MAKING AN APPROPRIATION FOR THE CHIMAYO YOUTH CONSERVATION CORPS TO ESTABLISH THE WATER RESTORATION ACTION STRATEGIES TO MANAGE THE UPPER CHIMAYO WATERSHED .

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:  
Section 1. APPROPRIATION.--One hundred fifty thousand dollars (\$150,000) is appropriated from the general fund to the New Mexico youth conservation corps fund for expenditure in fiscal year 2008 for a grant to ~~the Chimayo youth conservation corps~~ a New Mexico not-for-profit organization to establish the water restoration action strategies to manage the upper Chimayo watershed. Any unexpended or unencumbered balance remaining at the end of fiscal year 2008 shall revert to the general fund.