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FISCAL IMPACT REPORT

ORIGINAL DATE 02/28/11

SPONSOR Cisneros LAST UPDATED _____ HB _____

SHORT TITLE Soil & Water Conservation District Programs SB 522

ANALYST Haug

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	\$1,700.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

Department of Agriculture (NMDA)

SUMMARY

Synopsis of Bill

Senate Bill 522 appropriates \$1,700,000 dollars from the General Fund to the Board of Regents of New Mexico State University for:

Soil and Water Conservation District (SWCD) operations (\$500,000.00); and
District projects, programs and operation of the Soil and Water Conservation Commission (SWCC) (\$1,200,000.00).

FISCAL IMPLICATIONS

The appropriation of \$1,700,000.00 dollars contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2012 shall not revert to the General Fund.

SIGNIFICANT ISSUES

The NMDA states:

SB 522 requests a total of \$1.7 million dollars for SWCDs. It calls for a \$500,000 increase to SWCD basic operations funding. It has been over ten years since the SWCDs

have garnered any increase in their recurring operations budget. In recent years SWCDs have been forced to shoulder the expense of annual risk management insurance and audits from their existing operations funds, effectively decreasing the basic operational funding of some SWCDs to approximately \$5000 per year. The soil and water conservation commission (SWCC) is concerned that without an increase in baseline funding, SWCDs will soon find it impossible to meet their most basic operational functions.

The remainder of the appropriation, \$1.2 million, would be directed toward SWCD projects and conservation programs such as watershed restoration, storm water control structures and other infrastructure projects, and emerging programs, where the ability to provide matching funds is critical to leveraging more substantial funding from other sources. Some funds would be available for the SWCC to carry out its responsibilities and provide more a more significant leadership role to the SWCDs.

The HED points out there are 47 Conservation Districts in New Mexico, and according to Jose Varela-Lopez, Commissioner with the New Mexico Soil and Water Commission, there has been no increase in funding for conservation district operations (Cf. Section 1.A.(1), SB522) in over ten years, and the state has provided no additional funding for conservation district programs to fulfill the mandate of 73-29-25 for about five years (Cf. Section 1.A.(2), SB522).

GH/mew