

LFC Requester:

Vickie Gabin

AGENCY BILL ANALYSIS  
2024 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

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**SECTION I: GENERAL INFORMATION**

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original  Amendment   
Correction  Substitute

Date 2/2/2024

Bill No: SB 266

Sponsor: Roberto "Bobby" J. Gonzalez  
Acequia & Community Ditch  
Short Funding

Agency Name  
and Code NMDA-199  
Number:

Person Writing  
Analysis: Jeff Witte  
Phone: 575-646-5063 Email: Hrickner@nmda.nm

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
NFI	\$1,500.0	Nonrecurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
NFI	NFI	NFI	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	NFI	NFI	NFI	NFI	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
 Duplicates/Relates to Appropriation in the General Appropriation Act: Relates to a recurring appropriation to the acequia and community ditch fund in New Mexico department of agriculture's agency budget found in Section 4 of House Bill 2.

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Synopsis:

Senate Bill 266 (SB 266) appropriates one million five hundred thousand dollars (\$1,500.0) from the general fund to the acequia and community ditch fund (ACDF) to implement the purposes of the ACDF in fiscal year 2025 (FY 25). The balance shall not revert to at the end of the fiscal year to the general fund.

**FISCAL IMPLICATIONS**

SB 266 increases the ACDF funds available for distribution. The ACDF receives grant requests in excess of the available funding on an annual basis. For example, in the last five years (fiscal years 2020 to 2024), annual grant requests have ranged from approximately \$833.0 (eight hundred and thirty-three thousand dollars) to over \$1,449.0 (one million four hundred forty-nine thousand dollars) while available funds have ranged from \$602.0 (six hundred two thousand dollars) to \$832.0 (eight hundred thirty-two thousand dollars). This \$1,500.0 (one million five hundred thousand dollar) appropriation would increase funds available to the ACDF to an anticipated \$2,330.0 (two million three hundred thirty thousand dollars) in FY 25 – funds will not revert. Any funds left at the end of FY 25 would be available for expenditure in subsequent years. The ACDF Act provides for five percent of the funding to go to NMDA for administration of the grant program.

**SIGNIFICANT ISSUES**

The ACDF Act (73-2A-1 through 73-2A-3 NMSA 1978) was passed in 1988 to provide grants-in-aid for acequia and community ditch associations constituting a majority of acequias or community ditch associations within an adjudication or separately administered portion thereof to provide assistance in the adjudication process, including historical studies, economic impact reports, expert witness fees, legal fees and other technical services related to the adjudication process.

The New Mexico department of agriculture (NMDA) administers the ACDF. The director of NMDA, along with an individual elected from the New Mexico acequia commission and the chair of the New Mexico interstate stream commission comprise a committee, which makes funding decisions in accordance with the ACDF Act.

The funding increase to the ACDF from SB 266 would provide eligible acequia and community

ditch associations with access to more funding for assistance in the adjudication process, including implementation of settlement agreements. The statute limits the amount of funding that a grant recipient can receive to twenty-five percent of the available funds in a given year.

#### **PERFORMANCE IMPLICATIONS**

None.

#### **ADMINISTRATIVE IMPLICATIONS**

None.

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

N/A

#### **TECHNICAL ISSUES**

N/A

#### **OTHER SUBSTANTIVE ISSUES**

An attorney general opinion from July 2021 determined that funding from the ACDF can be used for implementation of settlement agreements. This determination clarifies that ACDF grant recipients can receive funding assistance for additional aspects of the adjudication process.

#### **ALTERNATIVES**

N/A

#### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

Not enacting SB 266 would mean that the ACDF would not receive a funding increase of \$1,500.0 (one million five hundred thousand dollars) in FY 25. Funding available to ACDF grant recipients would remain at current levels of approximately \$800.0 (eight hundred thousand dollars) per year.

#### **AMENDMENTS**

N/A