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FISCAL IMPACT REPORT

SPONSOR	<u>Gonzales, J.</u>	LAST UPDATED	<u>3/20/2025</u>
		ORIGINAL DATE	<u>3/20/2025</u>
		BILL	<u>Senate Memorial</u>
SHORT TITLE	<u>Taos Water Impoundment Study</u>	NUMBER	<u>23</u>
		ANALYST	<u>Davidson</u>

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
OSE	No fiscal impact	No fiscal impact	No fiscal impact	No fiscal impact	Nonrecurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From
Office of the State Engineer (OSE)

SUMMARY

Synopsis of Senate Memorial 23

Senate Memorial 23 (SM23) requests the Office of the State Engineer (OSE) lead the coordination of a study to determine the benefits, costs and feasibility of construction a new impoundment of water for and in Taos County. The memorial requests OSE to work with state, local, and tribal government agencies when conducting the study. The memorial further requests OSE to study whether the new impounded water could be utilized for wildfire suppression, structure protection, and for water rights concerns. The memorial requests OSE report and present its findings to the appropriate interim committee.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

FISCAL IMPLICATIONS

This analysis assumes OSE could complete the requested study with existing agency resources.

SIGNIFICANT ISSUES

Wildfires will be an ever-present part of the state's future, and the state's risk of wildfires will only increase as snowpacks decline, average precipitation drops, and average temperatures rise. New Mexico already has a high risk of wildfire—higher than 82 percent of states in the United

States. Wildfire risk is based on likelihood, intensity, exposure, and susceptibility. Ensuring the state has ample resources to fight wildfires, key among those resources being water, is crucial for the state to be prepared.

In addition, a comprehensive [study](#) completed by a multiple state agencies and higher education institutions in 2022 estimated the state will have 25 percent less water and snowpack in 50 years. Efforts by multiple state agencies, including OSE, are underway to look for new ways for the state to protect and augment its water supply. Studies such as the one contained in SM23 will continue the effort to explore new ways the state can prepare for an estimated hotter, dryer, and less predictable water future.

AD/hj/SL2