



OSE/ISC FY26 Budget

Legislative Finance Committee

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FY26 Budget Objectives:

Recruit and retain essential technical staff

- ✓ \$5M increase in GF to bring salaries into alignment with SPO salary studies

Support NM's communities as they prepare for and respond to climate change impacts to water resources

- ✓ Water planning, education and outreach
- ✓ \$800K increase in GF, plus \$1M special appropriation

Modernize water management

- ✓ Water Data Act initiatives
- ✓ \$250K increase in GF, \$6M in C2 IT funding

Resolve long-standing Indian Water Rights claims

- ✓ Settlement negotiation and implementation
- ✓ \$500K increase in GF, plus \$40M special appropriation

Enhance water rights enforcement

- ✓ Staffing/tools for administration and enforcement, focus on Middle Rio Grande
- ✓ \$500K increase in GF, plus \$500K for additional office space

Support Irrigation Works and Rio Grande Trust Fund sustainability

- ✓ Trust funds would return to intended purposes, including supporting acequias
- ✓ \$2M increase in GF

Corrective Salary Adjustments to Recruit and Retain Technical Staff

\$5M increase in General Fund will:

Support alignment of OSE/ISC salaries with State Personnel Office salary studies:

- Over 80% of OSE/ISC's staff compensation ratios have been affected by salary studies
 - Water resource professionals
 - Engineers
 - Attorneys
 - IT professionals
 - HR professionals
- This funding will allow the agency to offer salaries that are more competitive

Critical to recruit and retain qualified professionals to ensure New Mexico meets current and future water resource management challenges.



Water Planning, Education, and Outreach

Implementation of the Water Security Planning Act and the 50-Year Water Action Plan:

\$800,000 increase in General Fund will:

- Establish required rules and guidelines that create the framework for regional water planning
- Support a state-wide public education campaign
- Develop incentives for water conservation in collaboration with NM's agricultural and municipal leadership
- Support communities in:
 - ✓ Implementing proactive and cost-effective solutions
 - ✓ Prioritizing water infrastructure projects for state and federal funding
 - ✓ Developing plans for alternative administration in times of shortage

\$1M special appropriation will:

- *Initial water education and planning activities including kick-off engagement campaigns*

Modernizing Water Management in New Mexico

Water Data Act Initiatives

\$250,000 increase in General Fund will:

- Increase agency capacity to make data and information accessible to the public and water managers across the state

\$6M for two C2 IT project appropriations will:

- Fund analysis and discovery for W.A.T.E.R.S. database replacement (\$3M)
- Modernize Real Time Measurement System (\$3M)



Indian Water Rights Settlements

\$500,000 increase in General Fund will:

- Fund staff capacity to support settlement implementation, including:
 - ✓ Enforce water diversions and compliance with monitoring and metering
 - ✓ Oversee shortage sharing agreements

\$40M special appropriation will:

- Support the state's obligations, including projects for the benefit of non-Indian parties
- Help leverage up to \$3 billion in federal funding





Middle Rio Grande Administration and Enforcement

\$500,000 increase in General Fund will:

- Support staffing necessary to enable New Mexico to maintain compliance with the Rio Grande Compact, including monitoring and enforcement
- Develop a comprehensive groundwater metering program
- Work with stakeholders to craft and implement a predictable process for reducing depletions while ensuring our agricultural and municipal communities continue to thrive

\$500,000 increase in General Fund will:

- Provide additional office space in Albuquerque and Las Cruces to support administration and enforcement staff

Irrigation Works and Rio Grande Trust Fund Sustainability

\$2M increase in General Fund will:

Replace agency operational reliance on the trust funds and allow them to be used for their intended purposes:

- ✓ Support acequia and other irrigation works construction
- ✓ Support improvements to the Rio Grande, including leveraging federal funds for critical channel and habitat improvements





Other Special Appropriations

Interstate compact litigation:

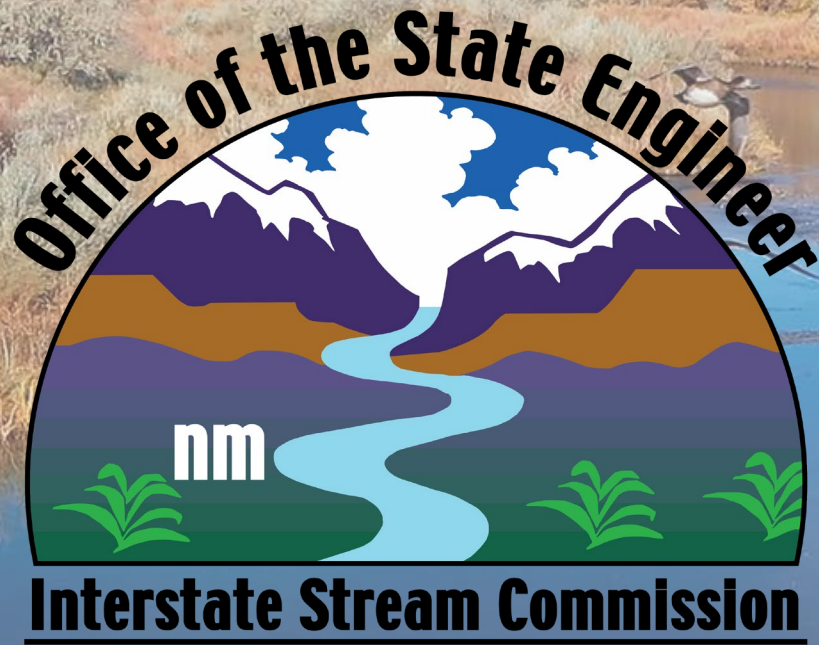
\$5M

- For Lower Rio Grande and Colorado
- Ensures New Mexico is proactive in protecting our interest in shared river basins

Pecos Settlement activities:

\$3M

- Supports augmentation wellfield operations
- Ensures state's compliance with the Pecos River Compact, while enhancing water supplies for New Mexico users



Thank you