

Water and Natural Resources Committee

Office of the State Engineer and Interstate Stream Commission: Legislative Priorities, Budget and Staffing Update

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2023 Agency Accomplishments and Challenges

- **TX v NM Original 141** - Three State Consent Decree with US Exceptions and amici briefs filed await spring SCOTUS scheduling.
- **\$65M in Lower Rio Grande funding received last session** - being utilized to reduce groundwater depletions, investigate means to capture and use stormwater effectively, and investigate development of alternative sources of supply from brackish aquifers and Salt Basin.
 - Successful LRG groundwater leasing program roll-out on the heels of the pilot leasing program. Over 3,500 acres in applications are now being processed for closing in December.
- **Indian Water Rights Settlements and Implementation** - federal fund matches are complete and \$millions in federal construction is underway for three settlements - NGWSP, Pojoaque Valley Project, and Taos area.
 - Four new settlements have been signed and will be discussed in detail during this agenda.
- **Water Policy and Infrastructure Task Force** - Recommendations and Report continue to play an important role is focusing on key issues in preparing New Mexico for the experienced and anticipated impacts of climate change.

Legislative Priorities For 2024 Session

Enhanced Enforcement for OSE

- Bring fee structure into the 21 century
- Protect valid water rights holders
- Ensure OSE has sufficient ability to protect NM's water in the face of increasing scarcity

Water Project Finance Act Updates

- Broaden WTB/NMFA authorities to fund local capacity development
- Add funding and increase use of corpus over the next five years
- Reduce onerous qualification requirements in the Act
- Board membership changes

Request Time Extensions on Approps.





Build Agency Capacity

Expansion Requests in 2024

3 Key Areas to Meet our Water Challenges

1) Water Settlements, Negotiation and Implementation

- Settle outstanding Indian Water Rights claims
- Implement the Texas v. New Mexico settlement
- Protect New Mexico's interests in the Colorado River Basin
- Ensure successful settlement implementation of settlements through active administration

NEED: 15 FTEs



Build Agency Capacity *Expansion Requests in 2024*

2) **Climate Change Resilience - Preparing for Aridification through Planning and Active Water Resource Management**

- Enhance and streamline enforcement of water laws statewide to protect New Mexico's interests and valid water users
- Support community resilience and continued economic development through revamped regional water planning (implementation of the Water Security Planning Act)

NEED: 13 FTEs



Build Agency Capacity *Expansion Requests in 2024*

- ### 3) Water Infrastructure + Innovation
- Repair critical dam infrastructure
 - Pursue brackish water use in the Lower Rio Grande and elsewhere

NEED: 3 FTEs

Request = 31 FTEs in total

Current Vacancy Rate = 18%

- 80 recruitments in last 12 months = 23.4% of workforce
- 30 recruitments currently in process
- 68 in pay band salary increases and 31 reclasses of existing positions
- 24 interns hired
- 6 job fairs attended

Special Appropriation Requests in 2024

Amount	Short Title	Brief Description
\$30,000,000.0	Indian Water Rights Settlements	Implement indian water rights settlements with New Mexico's Tribes, Pueblos and Nations.
\$500,000.0	Measurement and Metering Equipment Maintenance	Perform essential operations and maintenance on existing water measuring equipment statewide.
\$5,000,000.0	Irrigation Works Trust Fund Infusion	Ensure solvency of the Irrigation Works Construction Fund.
\$2,000,000.0	Rio Grande Trust Fund Infusion	Ensure solvency of the Improvement to the Rio Grande Income Fund.
\$1,000,000.0	Acequia Projects Statewide	Fund design and construction of acequia and community ditch improvements statewide through the ISC Acequia Bureau.
\$500,000 (OSF)	Hydrographic Surveys for Water	Support water rights adjudications through accelerating hydrographic survey work.
\$225.0	DoIT-required supplemental funding for ongoing C-2	To modernize water rights adjudication tracking system web applications and database platforms.
(language only)	Extension	Extend the \$6,000,000 for interstate litigation thru FY27.
(language only)	Extension	Extend the \$30,300,000 (ARPA) for drought mitigation thru FY27.
(language only)	Extension	Extend the \$10,000,000 (ARPA) for dams thru FY27.
(language only)	Extension	Extend the \$35,000,000 for Lower Rio Grande water augmentation thru FY28.
(language only)	Extension	Extend the \$2,000,000 for acequia projects thru FY25.
(language only)	Extension	Extend the \$10,000,000 for Rio Grande river channel thru FY28.
(language only)	Extension	Extend the \$2,000,000 for Pecos River settlement activities thru FY25.
(language only)	Extension	Extend the \$7,500,000 for the strategic water reserve thru FY28.
(language only)	Extension	Extend the \$1,817,400 for the ongoing WRATS replacement project thru FY25.

Capital Appropriation Requests in 2024

2025 Request:	Project:
\$ 1,500,000	Surface Water & Ground Water Measurement Statewide
\$ 1,000,000	Elephant Butte Delta and River Channel Improvement
\$ 1,000,000	Strategic Water Reserve Acquisitions
\$ 9,000,000	Maintain Rivers, Respoter Habitat & Flood Control
\$ 500,000	Ute Reservoir Improvements

TIME TO WORK TOGETHER

- ❖ The Legislature recognizes the need and is responding to the capacity issues across all levels of government, specifically in water and natural resources areas identified in the 17 recommendations of Water Task Force Report.
- ❖ This work is not done, however, as with every federal funding announcement the need for grant application and management staff becomes more apparent.
- ❖ The OSE/ISC is taking great strides to recruit, develop and retain its highly technical and competent staff to meet on growing mission.
- ❖ To accomplish the shared vision of the Executive and the Legislature to prepare New Mexicans for a more arid future, we must take the necessary steps to secure state and federal resources to assure that local governments are well positioned to manage their future.