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FISCAL IMPACT REPORT

SPONSOR: Aragon DATE TYPED: 02/18/01 HB _____
 SHORT TITLE: Conduct Hydrographic Surveys SB 508
 ANALYST: Chabot

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	\$ 5,912.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in The General Appropriation Act for \$5 million for the same purpose.

SOURCES OF INFORMATION

LFC Files
 Office of the State Engineer (SEO)

SUMMARY

Synopsis of Bill

This bill appropriates \$5,912.0 from the general fund to SEO for the purpose of conducting hydrographic surveys in conjunction with continuing water rights adjudications.

Significant Issues

According to SEO, this appropriation is needed if the state is to improve progress in completing water rights adjudications, particularly those involving the Lower Pecos and Lower Rio Grande river systems. This appropriation will enable SEO to complete two of the most critical adjudications in terms of interstate compact obligations, environmental lawsuits, and increasing demands for New Mexico water from Texas. SEO needs to complete the hydrographic surveys as part of the adjudication process.

PERFORMANCE IMPLICATIONS

Performance measures related to hydrographic surveys and adjudications are included in the SEO appropriation in HB 2.

FISCAL IMPLICATIONS

The appropriation of \$5,912.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2002 shall revert to the general fund. To receive maximum benefit from this appropriation, a multi-year appropriation should be considered.

TECHNICAL ISSUES

SEO recommends that Line 18 be amended to read:

“surveys, and to support litigation in conjunction with continuing water rights”.

In addition, the bill should be amended to include authorization for 20 term positions.

OTHER SUBSTANTIVE ISSUES

According to SEO, this bill provides funding for the first year of a five-year initiative to complete hydrographic survey of New Mexico waters. The information is needed to determine water availability, usage, depletions and other significant data. This information is critical to regional planning, developing a state-wide water plan, adjudications, and anticipated litigation. Of critical importance to SEO is concern about under-deliveries of water to Texas from the Pecos River. As a result of the U.S. Supreme Court decree in Texas v. New Mexico if New Mexico is unable to make its delivery requirements, SEO must make a priority call and curtail and/or shutoff water users until the deficit is made up. Until the adjudications are complete, SEO will not have all the tools needed to make legal and equitable allocation decisions on water use.

In addition to staffing, SEO intends to use the funding for two major studies. In the Lower Rio Grande, it includes survey contract support to maintain and update the information systems and graphic information systems and to complete a survey of the estimated 7,500 users of surface water for domestic purposes within the Elephant Butte Irrigation District. In the Carlsbad Basin, three surveys are to be started on the Carlsbad Irrigation District 4, the Black River and the Carlsbad Underground Basin.

POSSIBLE QUESTIONS

1. Hydrographic surveys are an expensive process, what is the expected total costs to complete these state-wide?
2. How long will it take to complete studies for all basins?
3. Are there other sources of funding besides general fund that can be used for these surveys?
4. What other state agencies and political subdivisions will benefit from these surveys?
5. What will be the consequences if these surveys are not funded?
6. How will SEO manage funding for these services to ensure maximum benefit is gained from the appropriation?