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## FISCAL IMPACT REPORT

02/22/13  
02/27/13

**ORIGINAL DATE** 03/11/13  
**LAST UPDATED** 03/13/13      **HB** \_\_\_\_\_

**SPONSOR**    SJC

**SHORT TITLE**    Export of Water From Critical Management Area      **SB** 563/SJCS

**ANALYST**    McCoy

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
NFI	NFI	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Office of the State Engineer (OSE)

### SUMMARY

#### Synopsis of Bill

The Senate Judiciary Committee (SJC) substitute for the Senate Conservation Committee substitute for SB 563 proposes to add a new section to Chapter 72, Article 12 NMSA 1978. The new section requires the state engineer, when acting upon an application to change the place of use of a groundwater right whose point of diversion is within a declared underground water basin to a location outside that underground water basin, to consider and make findings regarding the effect of the proposed change in place of use upon that basin.

### FISCAL IMPLICATIONS

No Fiscal Impact.

### ADMINISTRATIVE IMPLICATIONS

According to the OSE/ISC, the bill would require a small change in the processing of applications to change the place of use of a groundwater right. Under 72-12-7 NMSA 1978 the state engineer may approve an application to change the place of use of a groundwater right upon

the owner of the water right showing that the change will not impair existing rights, will not be contrary to the conservation of water within the state, or detrimental to the public welfare of the state. Under the bill, the OSE/ISC points out, staff would be required to make additional findings regarding the effect of a proposed change of a groundwater right to a new place of use located outside of the groundwater basin in which the well is located in addition to the current statutory findings.

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

The OSE/ISC notes, if the bill is not enacted the state engineer will continue to evaluate applications for transfer under the statutory requirements of 72-12-7 NMSA 1978, including determining whether the change will impair existing rights, will be contrary to the conservation of water within the state, or will be detrimental to the public welfare of the state.

**AMENDMENTS**

None suggested.

MTM/blm