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## FISCAL IMPACT REPORT

**SPONSOR** Campos **ORIGINAL DATE** 02/04/21  
**LAST UPDATED** \_\_\_\_\_ **HB** \_\_\_\_\_  
**SHORT TITLE** Pipeline for Acequia de Las Vegas **SB** 214  
**ANALYST** Olson/Kehoe

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY21	FY22		
\$795.0		Nonrecurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Office of the State Engineer (OSE)

New Mexico Finance Authority (NMFA)

### SUMMARY

#### Synopsis of Bill

Senate Bill 214 appropriates \$795 thousand from the general fund to Local Government Division of the Department of Finance and Administration for the purpose of constructing and equipping a pipeline for the Acequia Madre de Las Vegas in San Miguel County.

There is no effective date of this bill. It is assumed that the effective date is 90 days following adjournment of the Legislature.

### FISCAL IMPLICATIONS

The appropriation of \$795 thousand contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance shall revert to the general fund within six months of completion of the project, but no later than the end of the fiscal year 2023.

### SIGNIFICANT ISSUES

According to the Office of the State Engineer, Acequia Madre de Las Vegas completed prior phases of this project, including replacing the diversion structure and headgate, building trash

racks, and running a pipeline through parts of the ditch. Acequia Madre de Las Vegas completed the design for the next phase, but currently no funding is available to complete the project. Acequia Madre de Las Vegas received previous funding through the Interstate Stream Commission's 90-10 program and capital outlay funding. The 90-10 program provides 90 percent of the project's total cost through state funds and the acequia provides the additional 10 percent.

The NMFA oversees grants from the acequia project fund created pursuant to the Water Project Finance Act. The fund was capitalized in 2004 with a \$200 thousand grant from a private foundation. To date, the Water Trust Board (WTB) has made ten awards for plan and design of acequia projects totaling \$175 thousand leaving a fund balance of \$25 thousand for new projects. The rules and policies adopted by the WTB provide that applications are reviewed and prioritized by the Interstate Stream Commission. No acequia projects were recommended for funding or legislative authorization in the fiscal year 2021.

### **OTHER SUBSTANTIVE ISSUES**

The Office of the State Engineer (OSE) writes, "The pipeline being constructed is a 24-inch pipeline for an acequia that has a total of 77.91 acres (26.1 of which are owned by NMDOT and not active irrigation rights). There is an OSE maintained measurement gage on this ditch. The pipeline diameter is large in relation to the amount of irrigated acreage."

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

In the absence of additional funding, the Acequia Madre de Las Vegas will be unable to continue with the next phase of the project.

SO/LMK/al