

**LFC Requester:**

Austin Davidson

## AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

### SECTION I: GENERAL INFORMATION

*{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

**Date Prepared:** 2/14/2025

*Check all that apply:*

**Bill Number:** HB 423

Original x Correction       
Amendment      Substitute     

**Sponsor:** Rep. Debra M. Sariñana, Rep.  
Joy Garratt, Rep. Yanira  
Gurrola

**Agency Name and Code Number:** 305 – New Mexico  
Department of Justice

**Person Writing**

**Analysis:** Bill Grantham

**Short Title:** WATER SECURITY  
PLANNING ACT FUNDS

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### SECTION II: FISCAL IMPACT

#### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis ( ) indicate expenditure decreases)

#### REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis ( ) indicate revenue decreases)

#### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>						

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
 Duplicates/Relates to Appropriation in the General Appropriation Act

**SECTION III: NARRATIVE**

*This analysis is neither a formal Opinion nor an Advisory Letter issued by the New Mexico Department of Justice. This is a staff analysis in response to a committee or legislator’s request. The analysis does not represent any official policy or legal position of the NM Department of Justice.*

**BILL SUMMARY**

Synopsis:

Section 1 of HB 423 would appropriate \$30 million to the State Engineer for expenditure in FY 26—28 for the ISC to provide grants under the Water Security Planning Act to political subdivisions of the state to serve as fiscal agents for regional water planning entities.

Section 2 would appropriate \$30 million to OSE for expenditure in FY 26—28 for the ISC to improve business processes and information technology systems for internal and public access to water data and to fully comply with the agencies' Water Data Act responsibilities as directing agencies and the agencies' Water Security Planning Act responsibilities as water data providers.

Section 3 would appropriate \$2 million to OSE for FY 26 and 27 f to promulgate rules pursuant to Section 72-2-9.1 NMSA 1978 and take actions required to enforce Rio Grande water rights along the Rio Grande from the Los Alamos highway bridge to Elephant Butte reservoir to ensure compliance with New Mexico's water delivery obligations to Elephant Butte reservoir pursuant to the Rio Grande Compact.

All three sections provide that any unexpended funds would revert to the general fund.

**FISCAL IMPLICATIONS**

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

**SIGNIFICANT ISSUES**

None noted

**PERFORMANCE IMPLICATIONS**

NA

**ADMINISTRATIVE IMPLICATIONS**

NA

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Broadly speaking, the appropriations contained in H 423 may be viewed as related to the purposes of H 137 and S 37, in that all seek to conserve the state's water supply. However, they would accomplish this by different means. H 137, re Strategic Water Supply Act, would create a strategic water supply consisting of produced water and brackish water, to be used to minimize use of fresh water. S 37 would create strategic water reserve fund, to be used for buying water rights for specified purposes and subject to limitations. Neither appear to conflict with or directly relate to the appropriations in H 423.

## **TECHNICAL ISSUES**

N/A

## **OTHER SUBSTANTIVE ISSUES**

The ISC has not yet promulgated the rules mandated by the Water Security Planning Act, which may impact its ability to expend the appropriated funds in the available time.

## **ALTERNATIVES**

NA

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

The specified monies will not be appropriated.

## **AMENDMENTS**

NA