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## FISCAL IMPACT REPORT

SPONSOR: Larranaga DATE TYPED: 01/24/01 HB 113  
 SHORT TITLE: Appropriation to Complete Regional Water SB \_\_\_\_\_  
 ANALYST: Dotson

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	\$ 1,500.0	See Narrative		Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Relates to Appropriation in The General Appropriation Act HB 114

### SOURCE OF INFORMATION

State Engineer

### SUMMARY

#### Synopsis of Bill

HB 113 appropriates \$1.5 million from the general fund to the Interstate Stream Commission to complete the regional water planning process. The funds would be used as matching funds by local water planning regions.

#### Significant Issues

According to the State Engineer, funds appropriated in 1998 for statewide water planning activities have assisted seven of the sixteen water planning regions in significantly advancing their water plans. However, ten of New Mexico's water planning regions still need funds to complete their regional water plans. Four regions still need additional funds to complete their water plans. Six regions had no funding under the 1998 appropriation. Three regions have completed plans with funds appropriated by the Legislature in previous years.

These matching funds would help to advance the timeliness and enhance the quality of water planning efforts.

**PERFORMANCE IMPLICATIONS**

According to the State Engineer, planning for high quality and active water resources management is of critical importance to quality of life and economic development in New Mexico's water planning regions..

**FISCAL IMPLICATIONS**

The appropriation of \$1.5 million contained in this bill is a recurring expense to the general fund in the FY02 and FY03. Any unexpended or unencumbered balance remaining at the end of FY03 shall revert to the general fund.

According to the State Engineer, implementing recommended alternatives in water plans relating to data gathering, water resources measuring and monitoring, and construction of water works could become a recurring cost to the state. The long term cost of not conducting and implementing water planning is huge, including reduced government revenues.

**RELATIONSHIP**

Related is HB 114, which appropriates \$500,000 in general fund to implement the regional water plan.

**OTHER SUBSTANTIVE ISSUES**

According to the State Engineer, completion of regional water plans under the state's regional planning program will be suspended if the bill is not enacted.

**POSSIBLE QUESTIONS**

Were the funds appropriated in 1998 intended to complete any planning activities? If so, which ones?

What indication does the Interstate Stream Commission have that this appropriation is sufficient to complete the planning process?

PD/njw/ar