

NOTE: As provided in LFC policy, this report is intended for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used in any other situation.

Only the most recent FIR version, excluding attachments, is available on the Intranet. Previously issued FIRs and attachments may be obtained from the LFC office in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR: Leavell DATE TYPED: 02/26/01 HB _____
 SHORT TITLE: Water Conversion Pilot SB 282/aSCONC
 ANALYST: Moran

APPROPRIATION

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

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files
 New Mexico Department of Agriculture

SUMMARY

Synopsis of SCONC Amendment

The Senate Conservation Committee amendment clarifies the intent of the pilot project in Eddy and Lea counties. Also, the term “potable” has been changed to “usable” .

Synopsis of Original Bill

SB 282 appropriates \$500.0 from the general fund in FY2002 to the Eddy and Lea counties manufactured water committee. The purpose of the funds is to finance a pilot project in Eddy and Lea counties to demonstrate the feasibility of converting water used in oil and gas production to potable water.

FISCAL IMPLICATIONS

The appropriation of \$500.0 contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY02 shall revert to the general fund.

POSSIBLE QUESTIONS

Who would derive the benefit (water rights) from water reclaimed from this process?

RJM/ar/njw