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FISCAL IMPACT REPORT



SPONSOR: Lyons DATE TYPED: 01/31/02 HB _____

SHORT TITLE: Create Interim Water Committee SB 292

ANALYST: Chabot

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
			\$60.0	Recurring	General Fund

Relates to SJM 27

SOURCES OF INFORMATION

LFC Files

Department of Game and Fish

Energy, Minerals and Natural Resources Department (EMNRD)

New Mexico Finance Authority (NMFA)

New Mexico Livestock Board

Office of the State Engineer (OSE)

State Land Office (SLO)

No Response

Department of Environment (DOE)

SUMMARY

Synopsis of Bill

Senate Bill 292 establishes by statute the Water Committee as a joint interim legislative committee. The committee will be comprised by members of both houses appointed by the legislative council. Proportional representation by party will be reflected in the membership from each house. The committee may examine any matter relevant to water quantity or quality. Staffing is to be provided from the legislative council service.

Significant Issues

Water issues continue to come to the forefront of New Mexico policy issues. A growing population puts additional strain on existing resources. Water in the state is fully appropriated with little opportunity to increase the available resources. In addition, the region has experienced a period of better than average precipitation which maybe coming to an end. Lack of adjudications in most water basins and interstate compact water delivery requirements to surrounding states, particularly Texas, limit our ability to effectively manage our water resources. Native American water rights claims have not been resolved and may have a significant impact in many areas of the state. Endangered species, such as the Rio Grande silvery minnow and Pecos River bluntnose shiner, have created additional demands on river flows. Water quality issues, particularly in the water crossing the state line to Texas, causes concern in our ability to meet federal clean water standards. Finally, the state is under a United States Supreme Court decree to meet compact deliveries on the Pecos River and failure to do so may result in the court appointed river master taking control of the river.

A comprehensive water management strategy for the state must be developed if we are to meet all our legal obligations relating to water and its use. Statewide water policy is fragmented between four major state agencies and several smaller ones, numerous boards and commissions and local entities. A comprehensive approach is critical in managing our most critical natural resource and a formal mechanism, such as an interim committee, is needed to develop water policy. Hearings conducted during the interim will allow public input into the decision-making process in this critical area.

OSE states that interim committees dealing with water issues have “matured and now provides an invaluable opportunity for the legislature to address the ever-increasing complex water issues confronting the state...” They are concerned that there may be costs and increased workload associated with supporting the proposed interim committee but that the overall benefit will enable OSE to meet its performance goals with the aid of the legislature.

SLO is concerned that presentations before the committee may not always have the scientific and legal expertise needed in deliberating on the complex water issues facing New Mexico.

NMFA states that the Water Trust Fund and the Water Trust Fund Board were created by the legislature to address the large-scale water issues facing the state. They estimate that approximately \$2.1 billion will be needed in the next five years and \$4.1 billion over the long term. There maybe some duplication of effort between the interim water committee established by this bill and the Water Trust Fund Board.

EMNRD states “Water could become the most significant issue in New Mexico in the coming decades, particularly issues of water quantity. An interim committee could give these issues the detailed attention they deserve.”

FISCAL IMPLICATIONS

The interim Legislative Water and Natural Resource Committee had a budget for \$60.0 during 2001.

RELATIONSHIP

Senate Bill 292 is related to SJM-27.

GAC/ar/njw