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FISCAL IMPACT REPORT

SPONSOR HENRC DATE TYPED 2/17/04 HB 612/HENRCS
 SHORT TITLE Public, Peace, Health, Safety & Welfare SB _____
 ANALYST Maloy

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$3,000.0		See Narrative	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

The bill appropriates \$3 million from the general fund to the interstate stream commission for expenditure in FY05 and 06 as non-federal matching funds for the Middle Rio Grande Endangered Species Act Collaborative Program to plan, design and construct silvery minor habitats, and to conserve water to prevent the extinction of the minnow from Velarde to Elephant Butte Reservoir.

Unexpended or unencumbered funds at the end of FY06 shall revert to the general fund.

Significant Issues

The responsibilities of the Interstate Stream Commission / Office of the State Engineer are considerable, including backlogged adjudications and applications, costly litigation that has been ongoing for decades, managing the current drought conditions, developing and implementing regional water plans and a statewide water plan, developing means to comply with the state's interstate delivery requirements, and developing new water resources and conservation initiatives. There is concern regarding how much money has been directed to the Office for years, and the slow progress made toward these objectives. As such, this project and its revenue may be better directed to an entity such as New Mexico Institute of Mining and Technology.

This appropriation has the potential of becoming another non-recurring, special appropriation that supports recurring functions. For the past several years, nearly one-third of the Interstate Stream Commission /Office of the State Engineer has been funded through non-recurring, special appropriations. Preservation of the minnow and water conservation are surely projects that will result in on-going work. The goal of the LFC in preparing a budget for the Interstate Stream Commission / Office of the State Engineer was finding recurring revenue sources to support the recurring operations of the Office.

SJM/dm