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## FISCAL IMPACT REPORT

SPONSOR Leavell DATE TYPED 02/01/04 HB \_\_\_\_\_

SHORT TITLE Sanitary Livestock Water Facilities SB 356

ANALYST Wilson

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
			See Narrative		

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
 Environment Department (ED)  
 Department of Agriculture (DA)

### SUMMARY

#### Synopsis of Bill

Senate Bill 356 allows a domestic water supply to be used to water livestock.

#### Significant Issues

ED notes that by deleting the prohibition against using domestic water systems to provide water for stock watering of animals being raised for commercial purposes, this bill may allow a conglomeration of ranchers or dairy farmers to form a Mutual Domestic for the primary purpose of providing water to cattle for commercial purposes. This will be in direct conflict with the original intent of the Sanitary Projects Act, which is to “improve the health of the people of New Mexico through a program that will provide for installation of sanitary domestic water facilities, sewage works or both that will eliminate present hazardous practices or conditions.” These provisions are especially important during times of drought.

The provisions of this bill will divert resources from domestic water systems to commercial stock operations.

## **FISCAL IMPLICATIONS**

If new mutual domestics are formed under the Sanitary Projects Act primarily to provide stock watering, they will be eligible for grant funding, technical assistance, and possibly Safe Drinking Water Act sampling. If this occurs, ED will need additional financial resources to cover the new systems. If they do not receive more funding, the amount of time dedicated to all current drinking water systems will be decreased. The CPB and DWB are currently under-funded to meet basic mandates.

## **ADMINISTRATIVE IMPLICATIONS**

Organization of communities under the Sanitary Projects Act for the purposes of livestock watering may entail additional documentation, analysis, reporting by Drinking Water Bureau, Construction Programs Bureau or other bureaus within the ED.

## **CONFLICT**

During the course of the last three years, several public meetings and workshops have been conducted to revise the Sanitary Projects Act. The ED staff, stakeholders, non-profit agencies and engineers have participated in these meetings. Based on input from these meetings, a proposed revised Sanitary Projects Act will be introduced in this legislative session. The proposed revised Sanitary Projects Act will remove the majority of 3-29-7 NMSA 1978 part A and B because the Sanitary Project Fund that provided money for the benefits mentioned, no longer exists. SB356 will be in conflict with this bill.

**DW/lg:dm**