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FISCAL IMPACT REPORT

SPONSOR Sandoval DATE TYPED 03/04/05 HB 1066

SHORT TITLE Middle Rio Grande Conservancy District SB _____

ANALYST Ford

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$3,000.0			Non-Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Office of the State Engineer (OSE)

SUMMARY

Synopsis of Bill

House Bill 1066 appropriates \$3 million from the general fund to the OSE to improve water conservation, efficiency, and management of the middle Rio Grande conservancy district (MRGCD). The appropriation will match federal funding for the same purpose.

Significant Issues

The OSE indicates that it will work with the MRGCD and the federal government to identify opportunities to improve conservation, irrigation efficiency, and water management. According to OSE, the federal government will provide \$3 million in matching funds that flow directly to the MRGCD.

FISCAL IMPLICATIONS

The appropriation of \$3 million contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY 06 shall revert to the general fund. According to OSE the appropriation matches federal funding of \$3 million that

was appropriated directly to the MRGCD and does not flow through the state. However, the OSE indicates that the federal funding does require a match.

OSE indicates that it will be able to administer the funding with its existing staff resources.

OTHER SUBSTANTIVE ISSUES

According to OSE, there are many options for improving water efficiency, such as installation of additional measurement and recording devices to monitor and improve water efficiency, installation of canal lining, installation of technologically-advanced on-farm irrigation systems, implementation of advanced water management tools and installation of monitoring equipment to monitor soil moisture and identify ideal times for application of water in the correct amounts.

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