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## FISCAL IMPACT REPORT

SPONSOR Cisneros DATE TYPED 02/03/05 HB \_\_\_\_\_

SHORT TITLE Statewide Aquifer Mapping Project SB 189

ANALYST Woods

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$620.0			Non-Recurring	General

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to the appropriation for the New Mexico Institute of Mining and Technology in the General Appropriations Act.

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

New Mexico Office of the State Engineer (OSE)  
 New Mexico Energy, Minerals and Natural Resources Department (EMNRD)

#### No Responses Received From

New Mexico Commission on Higher Education (CHE)

### SUMMARY

#### Synopsis of Bill

Senate Bill 189 – Making an Appropriation for a Statewide Aquifer Mapping Project to be Conducted by the Bureau of Geology and Mineral Resources at the New Mexico Institute of Mining and Technology – appropriates \$620,000 from the general fund to the Board of Regents of New Mexico Institute of Mining and Technology for expenditure in FY06 and subsequent fiscal years to conduct a statewide aquifer mapping project by the Bureau of Geology and Mineral Resources. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the general fund.

### Significant Issues

The OSE indicates that the state's ability to administer and manage its water resources is dependent upon the characterization of its aquifers and their interconnections with streams. Further, that knowledge of the extents of zones of fresh and treatable saline ground water is vital to serving the growth of the state's water demands. To ensure that the Bureau of Geology will direct activities to the state's highest research priorities, a multi-agency steering committee should be formed to guide investigations. The bill does not specify the studies to be performed or the process to prioritize studies. The requested level of funding may be inadequate to address the aquifer mapping needs within the state.

This program was not included in the CHE's *2005-2006 Higher Education Funding Recommendation*.

### **FISCAL IMPLICATIONS**

EMNRD indicates that the appropriation of \$620,000 contained in this bill is a non-recurring expense to the general fund designated for expenditure in FY06 and subsequent years.

Any unencumbered or unexpended balance remaining at the end of a fiscal year does not revert to the general fund.

### **ADMINISTRATIVE IMPLICATIONS**

EMNRD suggests that a statewide aquifer map would be very helpful to a number of administrative bodies, including the Oil Conservation Division (OCD) of EMNRD. The OCD needs to determine the location and depth of groundwater in issuing permits, and currently must research those issues itself using the available information, which is often incomplete. Having a statewide aquifer map would provide a consistent, reliable source of information to applicants and regulators, minimizing the differences of opinion that currently crop up in the process. This resource would save administrative time, make the permitting process more efficient, and help the OCD protect New Mexico's groundwater.

OSE indicates that minimal OSE staff time will be required to assist the NMBGMR in developing priorities. However, OSE believes additional funding may be required to allow work products to be fully utilized by the water resource regulatory agencies and to address uncertainties associated with the studies.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Relates to the appropriation for the New Mexico Institute of Mining and Technology in the General Appropriations Act.

### **TECHNICAL ISSUES**

OSE notes that the bill does not specify the studies to be performed or describe who will set study priorities. Many local areas will claim that the source of their drinking water is of highest importance. Funds may be allocated to activities other than priority investigations. The State Water Plan states that the OSE will coordinate the creation of a multi-agency taskforce to iden-

tify, focus and prioritize studies. Accordingly, OSE believes this avenue for setting study priorities needs to be included within the bill.

**AMENDMENTS**

The OSE suggests that on Line 21: insert before the last sentence “A steering committee consisting of the Director of the NMBGMR, the State Engineer and the Secretary of the Environment Department (or their designees) shall be formed to set priorities for the mapping project described in this bill.”

**BFW/sb**