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## FISCAL IMPACT REPORT

ORIGINAL DATE 01/26/07

SPONSOR Begaye LAST UPDATED \_\_\_\_\_ HB 274

SHORT TITLE Statewide Water Projects SB \_\_\_\_\_

ANALYST Woods

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
NFI	280,000.0	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 274 seeks to appropriate \$280,000,000 from the general fund to the support statewide water projects in fiscal year 2008 and subsequent fiscal years. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the general fund. This bill carries emergency language.

### SIGNIFICANT ISSUES

This bill would appropriate \$280 million to the Indian water rights settlement fund, the interstate stream commission, the middle Rio Grande Endangered Species Act Collaborative program, and the New Mexico irrigation works construction fund for expenditure in FY 08 and subsequent fiscal years for the following purposes:

- \$75 million to the Indian water rights settlement fund to pay the state's portion of the costs necessary to implement Indian water rights settlements proposed by the legislature and the United States Congress.

- \$48 million to the interstate stream commission for the Pecos River Compact settlement.
- \$30 million to the improvement of Rio Grande income fund for the middle Rio Grande Endangered Species Act collaborative programs
- \$7 million to the interstate stream commission for the Gila River settlement in the federal Arizona Water Settlements Act, to be used to conduct a full and inclusive process of public involvement, complete a thorough scientific assessment of ecological conditions in the Gila river basin and perform a full analysis of all water needs and supply alternatives in the southwestern water-planning region.
- \$70 million to the interstate stream commission for the Ute Pipeline project.
- \$44 million to the New Mexico irrigation works construction fund for acequia and dam safety improvements.
- \$6 million to the interstate stream commission for the La Plata conservancy district's cost share of the Animas-La Plata project.

OSE notes that \$280 million is the figure used in a presentation to the Interim Water and Natural Resources Committee in 2005 as that amount of state funding needed for water projects that are ready to proceed; however, some projects require federal appropriations as well.

OSE adds that major assumptions underlying fiscal impact should be documented.

BFW/sb