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## FISCAL IMPACT REPORT

SPONSOR Campos ORIGINAL DATE 02/07/14  
LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_  
SHORT TITLE Dry Community Emergency Fund SB 253  
ANALYST Chenier

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY14	FY15		
	\$200.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Senate Bill 242 appropriating \$500 thousand

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

New Mexico Environment Department (NMED)

Department of Homeland Security and Emergency Management (HSEMD)

### SUMMARY

#### Synopsis of Bill

Senate Bill 253 appropriates \$200 thousand from the general fund to the dry community emergency fund to assist any area of the state suffering a loss of access to water due to an emergency.

This bill creates a dry community assistance fund within the State Treasury Department. The bill also tasks the HSEMD with administering the fund and directing expenditures. The purpose of the proposed fund is to assist any area in New Mexico suffering a loss of access to water due to an emergency that threatens public health, safety or welfare or where there is a real or potential negative impact on public health or water quality.

### FISCAL IMPLICATIONS

The appropriation of \$200 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY15 shall revert to the general fund.

**SIGNIFICANT ISSUES**

NMED stated that New Mexico continues to experience drought conditions, and it is likely that many more communities will face water access emergencies. The Drinking Water Bureau administers several assistance programs that are limited to the eligibility requirements of the funding sources, none of which allow for paying for water hauling or providing water from outside the individual public water system. This Dry Community Emergency Fund has the potential to benefit communities that face such emergencies by providing funds for such expenditures.

**TECHNICAL ISSUES**

Although the bill cites Section 12-11-23 through 12-11-25 NMSA 1978 to indicate that the new fund in addition to existing emergency funds, it does not define how an emergency will be declared or if an emergency declaration will be necessary to receive funds. In addition to the Governor's Office, NMED and HSEMD have statutory authority to declare emergencies.

In addition, the governor has the authority to declare emergencies and appropriate up to \$750 thousand through executive orders. Many times, the governor will issue several \$750 thousand executive orders at once for a single emergency.

EC/ds:jl