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FISCAL IMPACT REPORT

SPONSOR Campos **ORIGINAL DATE** 02/08/16 **LAST UPDATED** _____ **HB** _____

SHORT TITLE Study Northeast NM Water Supply Issues **SM** 36

ANALYST Amacher

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	FY17		
NFI	NFI	NFI	NFI (See Fiscal Impacts)

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files
Office of the State Engineer (OSE)
New Mexico Department of Agriculture (NMDA)

SUMMARY

Synopsis of the Memorial

Senate Memorial 36 requests the office of the state engineer, the interstate steam commission and water stakeholders in northeastern New Mexico be requested to study and develop ways of addressing water shortage issues and identify potential water sources outside of the region. Furthermore, SM 36 requests the study identify developing a pipeline to some other large-scale regional water project to bring water to the northeastern area of New Mexico.

FISCAL IMPLICATIONS

The office of the state engineer (OSE) indicates additional funding for regional water planning may be required; however, how much may be needed was not identified. The interstate stream commission (ISC) currently is undertaking the task of updating the ten-year old state wide regional water plan. Such costs of coordinating with the stakeholders identified in SM 36 may be absorbed through current administrative tasks.

SIGNIFICANT ISSUES

Senate Memorial 36 acknowledges that despite the record precipitation received in 2015, the fifth-wettest year on record since 1986, there remains significant concerns on long term drought

conditions in the state and its impacts on the economy and the overall well-being of New Mexicans. SM 36 highlights several factors influence the degree of drought experienced statewide from the effects of climate change, unpredictable weather patterns, and water shortages.

The department of agriculture notes that water demands from all users are exceeding supply, water scarcity is a growing issue for all of New Mexico. The study could help inform planning for economic development in the region as well as identifying water resources to support existing economic activities such as ranching, irrigated agriculture, municipal water supplies, etc.

The OSE has indicated the OSE and the ISC involvement is likely best, provided the current ongoing regional water planning. The ISC regional water plans currently being updated can be used to further coordinate the stakeholders on the matters outlined in SM 36. The OSE also notes through the regional planning process, alternative for addressing water issues, including water shortage issues, will be studied for regions 1, 8 and 9, which may include identifying potential water sources outside of the region(s) and developing a pipeline to some other large-scale regional water project to bring water to the area. The OSE states solutions to the water management challenges facing this portion of the state will only be possible through regional efforts, such as those being conducted by the ISC.

OTHER SUBSTANTIVE ISSUES

The 1987 Legislature recognized the state's need for water planning and created the regional water planning. Through this legislation the New Mexico ISC was tasked with implementing the state's regional water planning program. Between 1999 and 2008 the Commission officially accepted regional plans from all sixteen water planning regions.

SM 36 has outlined a northeastern region consisting of Guadalupe, San Miguel, Mora and Colfax counties for the requested water supply and regional infrastructure study. This area overlaps defined regions by the ISC for the purposes of the statewide regional water planning: region 1 (Northeast New Mexico: Union, Harding, Quay, Curry, and Roosevelt counties); region 8 (Mora-San Miguel-Guadalupe); and region 9 (Colfax county).

In 2013, the ISC created the "Updated Regional Water Planning Handbook" and in 2015 the Commission approved updated "Acceptance Criteria" for this round of regional water plan updates.

According to a letter from the ISC in November 2015, to all participating stakeholders across the state on the regional water plan, the ISC is nearing completion of the updated plan. The ISC indicates the goal is to have all draft plans (from the regions) finalized and accepted by the ISC Commissioners by the end of 2016.

In November of 2015, the ISC published two guidance documents addressing the comment process for updates to the plan and the discussion on how to implement strategies to meet future water demand. And "The Administrative Water Supply Approach" was released in December 2015. Each of these publications address key issues of water supply statewide and as similarly shared in SM 36.