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## FISCAL IMPACT REPORT

**SPONSOR** Gallegos/Cisneros     
 **ORIGINAL DATE** 1/25/17  
**LAST UPDATED** 1/26/17     
 **HB** 94

**SHORT TITLE** Acequia Commission Powers     
 **SB** \_\_\_\_\_

**ANALYST** Armstrong

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>			See narrative		Recurring	Acequia Commission Operations

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From

Office of the State Engineer (OSE)

### SUMMARY

#### Synopsis of Bill

House Bill 94 (HB94) confers new powers and duties on the New Mexico Acequia Commission (“Commission”). The bill allows the Commission to apply for and accept public or private funds both for use by the Commission itself and for its work on behalf of New Mexico acequias and community ditches. The bill lists seven new powers that it would authorize the Commission to exercise, including: assisting acequias with economic and infrastructure development initiatives, undertaking studies and surveys, serving as fiscal agent and administrator for acequias seeking grants, entering into agreements with state and federal entities on behalf of acequias, and entering into contracts in order to carry out the Commission’s duties. The bill also adds a section requiring the Commission to report annually to the governor and legislature on its activities and the “state of acequias.”

### FISCAL IMPLICATIONS

With the expanded authority in HB94, the Commission would likely require personnel to oversee and maintain its budget and contracting authority. It would also be exposed to new fiscal risks and potential liabilities. It is difficult to quantify these implications based on the content of the bill alone. Currently, the Interstate Stream Commission (ISC) has two FTE dedicated to acequia issues at a cost of \$171.5 thousand.

**SIGNIFICANT ISSUES**

HB94 provides the NM Acequia Commission with expanded powers and duties similar to those it might have if it were a political subdivision of the state. The Commission presently works in tandem with ISC's acequia program. When the Commission receives capital outlay funds, ISC technical and legal staff assist the Commission with its expenditures. This bill expands the Commission's power and responsibilities but does not reduce ISC's role in the process, meaning certain activities could be duplicated.

JA/al