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FISCAL IMPACT REPORT

ORIGINAL DATE 2/2/2022

SPONSOR Romero, A./Lujan LAST UPDATED _____ HB 131

SHORT TITLE Water Data Act Implementation SB _____

ANALYST J. Torres

Appropriation		Recurring or Nonrecurring	Fund Affected
FY22	FY23		
	\$4,050.0 million	Recurring (NMIMT)	General Fund
	\$4,000.0 million	Recurring (NMED)	General Fund
	\$4,300.0 million	Recurring (OSE)	General Fund
	\$2,800.0 million	Recurring (OSE/ISC)	General Fund
	\$3,150.0 million	Recurring (ENMRD)	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Institute of Mining and Technology (NMIMT)

Environment Department (NMED)

Energy Minerals and Natural Resources Department (EMNRD)

Office of the State Engineer (OSE)

SUMMARY

Synopsis of Bill

House Bill 131 (HB131) makes appropriations subject to the Water Data Act to carry out the purposes of the Water Data Act, providing five years of funding from FY23-FY27 to NMIMT, NMED, OSE, OSE/ISC and EMNRD for the purpose of implementing the Water Data Act.

There is no effective date of this bill. It is assumed that the effective date is 90 days following adjournment of the Legislature.

FISCAL IMPLICATIONS

The appropriations of \$4.05 million; \$4 million; \$4.3 million; \$2.8 million; and \$3.15 million to each of the five named agencies is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY27 shall revert to the general fund.

Although HB131 does not specify future appropriations, establishing a new grant program could create an expectation that the program will continue in future fiscal years, therefore this cost is scored as recurring.

SIGNIFICANT ISSUES

NMIMT notes: “[t]he most significant issue is that New Mexico faces increasing water challenges, with inefficient data access and interoperability to quickly resolve and address water shortages, as they arise. It also makes long term planning and projection of limited water resources more challenging to accurately assess. The Water Data Act, as currently enacted, carries no appropriation for state agencies to meet the very worthy goals of the enabling legislation. Without state investment in water data infrastructure and sustained modernization of data collection, storage and dissemination, the goals of the Water Data Act cannot be fully realized. Significant limitations in the ability of state agencies to meet the needs of the Water Data Act exist due to limited funding, this appropriation seeks to address this issue.”

OSE notes:

[i]f HB131 is enacted, it will provide needed funding to the Office of the State Engineer and the Interstate Stream Commission (OSE/ISC) to improve and increase water data digitization, modernize information technology platforms, and increase information technology capacity for using and sharing water data.

Much of the agency’s water data presently exists on paper only, so other agencies, water users, and staff must use records at the district office where the paper record resides. There is no way to search and filter data *en masse* from paper records.

The agency’s water rights database contains water rights records that include point of diversion locations, authorized use, and water withdrawal records. The data are only fully useful when all records in a particular basin are entered. Analyses of permit applications are slowed because of the need to sort through paper records to compile the totality of supply and demand in a region.

Data and electronic image quality are paramount, so the only way to shorten the time necessary to enter data and image documents is to increase staffing resources and information technology improvements. The appropriation in HB 131 would allow the agency to increase the rate of record digitization through increase in staffing resources. In addition, it would provide for information technology upgrades, and planning for information technology upgrades, to prevent security compromises, forced obsolescence, and, consequently, potential loss of two and half decades of detailed work.

PERFORMANCE IMPLICATIONS

EMNRD states: “[p]roperly implementing the Water Data Act requires better management of and access to New Mexico’s water data, which is held by many different agencies for many different purposes, which in turn use many different data applications to manage and analyze the data. To make this data accessible, interoperable, and searchable, the agencies – including EMNRD – need to create APIs [Application Program Interfaces] that allow their data applications to communicate with each other. The APIs will improve access to water data for the public, the private sector, and government agencies that depend on the information for making water management and infrastructure decisions. Each state agency funded via HB131 requires significant funding to implement the necessary upgrades to achieve this goal, whether through hiring agency IT experts, paying for outside contractual services, or both.”

OSE states: “[i]f HB131 is enacted, it would eventually result in better agency performance by expediting the process of digitizing water rights records. Once a basin’s water rights records are digitized, they could be searchable online, resulting in the following:

- 1) Better hydrologic modeling, as points of diversion and water withdrawals may be searched, exported, and mapped.
- 2) Faster decisions on permit applications because of searchable electronic records and better hydrologic modeling.
- 3) Quicker response and better administration of priority calls due to the ability to sort electronic records by priority date and export mailing lists.
- 4) Better water plans due to the electronic compilation of point of diversion locations, authorized diversions, and actual use (meter records).
- 5) Quicker response to New Mexicans’ water rights questions and records requests through 24/7 web access to water rights files. At present, paper records are available Monday through Friday, 8:00 a.m. to 5:00 p.m.

In addition, the acquisition of additional staff and information technology resources would lead to improved collaboration with other regional and national efforts to share, integrate, and manage water data through faster and better data.”

NMED states: “NMED expects to see improvement in performance due to improved ability to electronically maintain and track permitting activities that have historically been done by hand. New database capabilities will allow permittees to directly input required compliance sampling information and documentation into the database themselves. The improved capability has the potential to improve compliance in water permitting programs and NMED’s ability to respond to compliance issues in timely manner.”

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

New Mexico agencies may not have the financial resources required to implement the Water Data Act.

JT/al/rl