

LFC Requester:

Austin Davidson

**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

[AgencyAnalysis.nmlegis.gov](https://www.legis.nm.gov/AgencyAnalysis) and email to [billanalysis@dfa.nm.gov](mailto:billanalysis@dfa.nm.gov)*(Analysis must be uploaded as a PDF)***SECTION I: GENERAL INFORMATION***{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

Date Prepared: 1/31/25

Check all that apply:

Bill Number: SB 208

Original  Correction Amendment  Substitute 

Sponsor: Sen. Pete Campos

Agency Name  
and Code

Office of the State Engineer

Number:

550

Person Writing

Analysis:

Kerri Roybal

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[Kerri.roybal@ose.nm.gov](mailto:Kerri.roybal@ose.nm.gov)**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
NFI	2,500	Recurring	Irrigation Works Construction Fund (IWCF)

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
NFI	2,500	2,500	Recurring	Acequia and Community Ditch Infrastructure Fund (ACDIF)

(Parenthesis ( ) indicate revenue decreases)

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

	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>		300	300	600	Recurring	IWCF

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: None

Duplicates/Relates to Appropriation in the General Appropriation Act: None

### **SECTION III: NARRATIVE**

#### **BILL SUMMARY**

##### Synopsis:

Senate Bill 208 would increase the amount of funding from \$2.5 million annually to \$5.0 million annually from the Irrigation Works Construction Fund (IWCF) to the Acequia and Community Ditch Infrastructure Fund (ACDIF) for acequia and community ditch projects statewide.

#### **FISCAL IMPLICATIONS**

Senate Bill 208 would increase the amount of funding provided to the NM Interstate Stream Commission (ISC) for acequias and community ditches from an existing \$2.5M annually to \$5.0M annually from the IWCF. IWCF fund projections, indicate that reliance on this trust fund already surpasses the revenues into this fund even in relatively strong revenue years. Adding an additional \$2.5M annual reliance on the fund without significant recapitalization of the fund (with either one-time or recurring funds) or a reduction in the other draws from the fund would accelerate the depletion of the fund. The executive budget recommendation includes a \$2.0 million reduction in the amount of IWCF monies used to fund agency operations, to be replaced by the general fund. This would help make the funds available to fulfill the purposes of this bill.

Additionally, the doubling of funding for project programming would have a direct impact on staff of the ISC dedicated to this work who are already fully subscribed. We estimate at least two additional FTEs would be needed to assist with the doubling of the project workload. At \$150K/FTE, this impact would be \$300,000 per year in increased operating costs for the ISC.

#### **SIGNIFICANT ISSUES**

ISC agrees there is a need for more funding for acequia projects. However, Trust Fund long-term solvency needs to be addressed, because the transfers called for in this bill will not be possible if the IWCF does not have the funds in the first place.

#### **PERFORMANCE IMPLICATIONS**

None.

#### **ADMINISTRATIVE IMPLICATIONS**

Senate Bill 208 would double the funding available for acequia and community ditches which

would increase the workload of the current ISC staff handling the program. This would require, at a minimum, the addition of two (2) FTEs.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

None.

**TECHNICAL ISSUES**

None.

**OTHER SUBSTANTIVE ISSUES**

None

**ALTERNATIVES**

None

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

The Acequia and Community Ditch Infrastructure Fund (ACDIF) would continue to be funded at the current funding level.

**AMENDMENTS**

None