

Synopsis of SB 176:

SB 176 (Campos, Jaramillo, Stefanics) Acequia Fund for Disaster Response

New Mexico Acequia Association February 5, 2023

SB 176 amends the Acequia and Community Ditch Infrastructure Fund (Sec 72-14-24.1 NMSA 1978). It adds "disaster response, recovery, and hazard mitigation" to the purpose of the fund as well as language providing for use of the fund for state and federal matching cost share requirements. It also provides that use of the fund shall not require a local cost share and it increases the recurring appropriation from the Irrigation Works Construction Fund from \$2.5 million to \$5.0 million.

Background:

Since the 1980s, the Interstate Stream Commission (ISC) has operated an acequia program with the purpose of providing construction funds for acequia projects and providing cost-share funds for federal programs. In 2019, this program was formalized in statute with the Acequia and Community Ditch Infrastructure Fund (ACDIF), securing an annual \$2.5 million appropriation from the Irrigation Works Construction Fund (IWCF) for planning, design, and construction of irrigation works for the purposes of restoration, repair, improvement of irrigation efficiency, or protection from floods.

Why this Bill is Needed:

- **Disaster Recovery:** This legislation addresses the increased need for acequia infrastructure funding arising from disasters related to fires and floods in New Mexico. In 2022, New Mexico experienced the worst year on record for wildfire and subsequent flooding with over 700,000 acres burned. These types of disasters will likely occur in other watersheds in future years. The ACDIF can plan a key role in acequia disaster recovery.
- **State/Federal Cost Share:** Acequia impacted by federal disasters (other than Hermit's Peak Calf Canyon) are eligible for Federal Emergency Management Agency (FEMA) funds, which have a 75/25 cost share requirement. Likewise, for state disasters, the Department of Homeland Security and Emergency Management (DHSEM) Disaster Assistance Program has a 75/25 cost share requirement. Non-emergency federal programs may have cost share requirements. For example, the Army Corp of Engineers Acequia Program has a 75/25 cost share requirement. State funds can also leverage federal funding from the United States Department of Agriculture (USDA) programs through the Natural Resource Conservation Service (NRCS).
- Local Cost Share: Acequias are governed by volunteers and their self-generated resources are needed for day-to-day operations and maintenance. This legislation ensures equitable access to infrastructure funding for underserved rural communities by <u>ensuring that there is no local cost-share requirement for the ACDIF</u> for both emergency and non-emergency situations.
- **Increase Appropriation:** This legislation addresses the growing need for infrastructure investment in acequia communities, the additional demands for disaster recovery, as well as the increasing costs of planning, design, and construction.