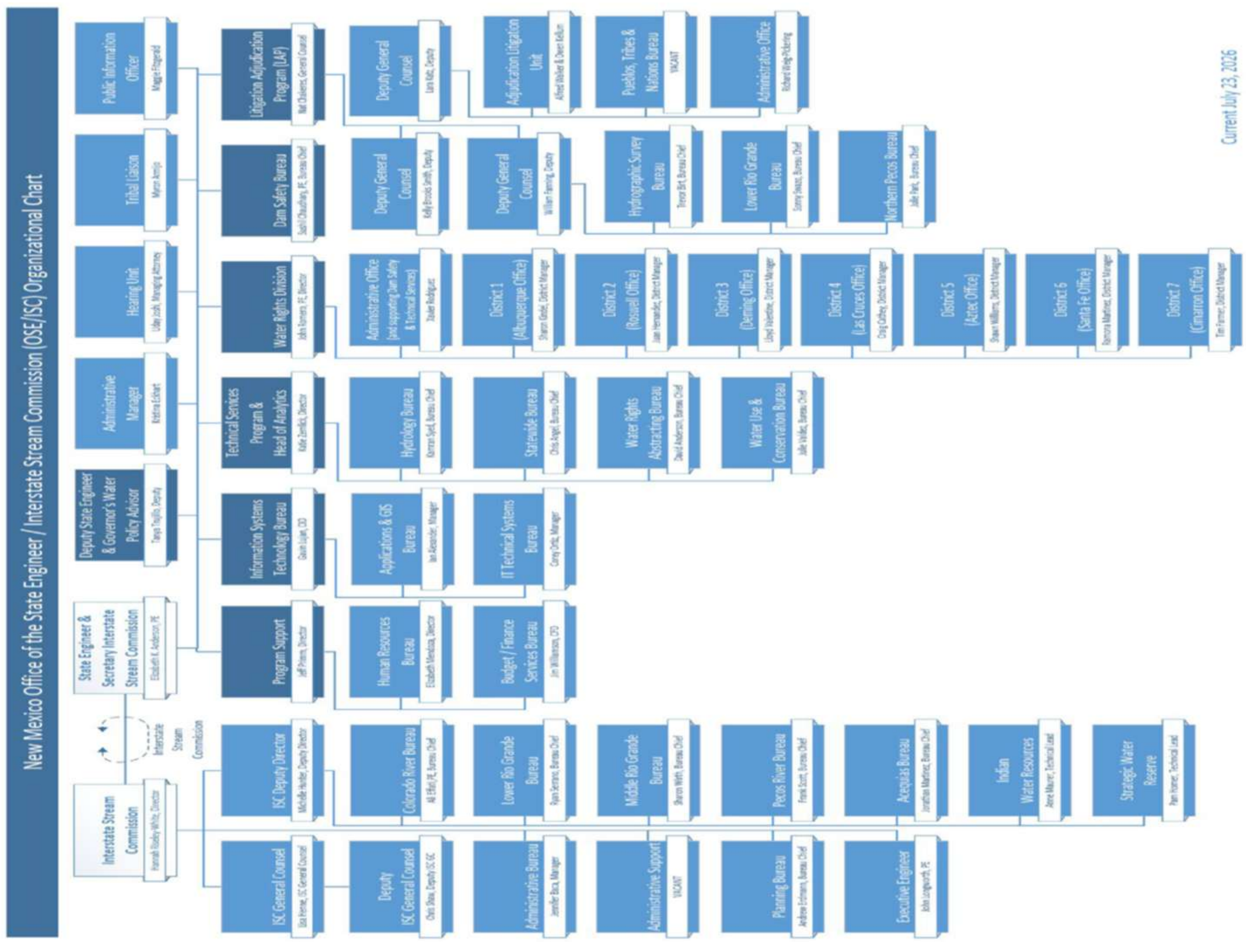
Agency Name: Office of the State Engineer

Business Unit: 55000

Program Name:

Program Code:

APPROPRIATION REQUEST
ORGANIZATION CHART
FORM S-2



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Revision no:

Revision Date: 6/30/2011

Page

APPROPRIATION REQUEST

CERTIFICATION
FORM S-1

Agency Name: State Engineer Business Unit: 55000

I hereby certify that the accompanying summary and detailed statements are true and correct to the best of my knowledge and belief and that the arithmetic accuracy of all numeric information has been verified.

Elizabeth K Anderson, P.E., State Engineer

,

Jim Williamson, Agency CFO

PO Box 25102 Office of the State Engineer 495 Old Santa Fe Trail Santa Fe, NM 87504	(505) 372-9158	jim.williamson@ose.nm.gov

Note: Appropriation Requests for agencies headed by a board or commission must be approved by the board or commission by official action and signed by the chairperson. Operating Budgets of other agencies must be signed by the director or secretary. Appropriation Requests not properly signed will be returned.

BU	PCode	Department
55000	0000	0000000000

State of New Mexico

S-8 Financial Summary

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
REVENUE								
111	General Fund Transfers	37,832.3	39,568.9	40,988.8	0.0	53,404.5	5,693.8	59,098.3
112	Other Transfers	12,561.5	12,561.5	12,989.3	0.0	3,498.3	0.0	3,498.3
120	Federal Revenues	0.0	0.0	0.0	0.0	0.0	0.0	0.0
130	Other Revenues	3,998.2	3,999.6	4,102.2	0.0	4,107.2	0.0	4,107.2
150	Fund Balance	751.2	751.2	751.2	0.0	751.2	0.0	751.2
REVENUE, TRANSFERS		**55,143.2**	**56,881.2**	**58,831.5**	**0**	**61,761.2**	**5,693.8**	**67,455.0**
REVENUE		**55,143.2**	**56,881.2**	**58,831.5**	**0**	**61,761.2**	**5,693.8**	**67,455.0**
EXPENSE								
200	Personal services and employee benefits	41,204.5	41,152.1	44,758.8	53,693.8	45,098.0	5,393.8	50,491.8
300	Contractual services	7,745.7	4,631.4	7,745.7	0.0	7,787.4	300.0	8,087.4
400	Other	6,113.0	7,198.0	6,247.0	0.0	8,795.8	0.0	8,795.8
EXPENDITURES		**55,063.2**	**52,981.5**	**58,751.5**	**53,693.76**	**61,681.2**	**5,693.8**	**67,375.0**
500	Other financing uses	80.0	0.0	80.0	0.0	80.0	0.0	80.0
OTHER FINANCING USES		**80.0**	**0.0**	**80.0**	**0**	**80.0**	**0.0**	**80.0**
EXPENSE		**55,143.2**	**52,981.5**	**58,831.5**	**53,693.76**	**61,761.2**	**5,693.8**	**67,455.0**
FTE POSITIONS								
810	Permanent	368.00	320.00	371.00	406.00	373.00	39.00	412.00
820	Term	15.00	0.00	14.00	0.00	17.00	0.00	17.00
830	Temporary	28.00	0.00	33.00	0.00	35.00	0.00	35.00
FTEs		**411.00**	**320.00**	**418.00**	**406.00**	**425.00**	**39.00**	**464.00**
FTE POSITIONS		**411.00**	**320.00**	**418.00**	**406.00**	**425.00**	**39.00**	**464.00**

OFFICE OF THE STATE ENGINEER (55000)
FY28 RECURRING GENERAL FUND: AGENCY APPROPRIATION REQUEST
CHANGES BY PROGRAM AND CATEGORY

Water Resource Allocation (P551)	Salaries and Benefits (200's)	Contractual Services (300's)	Other (400's)	Other Financing Uses (500's)	TOTAL
FY27 Operating Budget: General Fund	**$20,933.8**	**$220.5**	**$1,588.8**	**$0.0**	**$22,743.1**
Increases (Decreases)					
Replacement of Trust Fund budget with GF initiative	$256.3	$406.0	$317.9		$980.2
Increase for Amin Costs Statewide initiative			$300.0		$300.0
Office Space Needs Statewide Initiative			$540.0		$540.0
ESRI Subcription renegotiation / increase initiative			$70.0		$70.0
Increased GSD Costs	$13.9		$98.1		$112.0
reduction in 300 category increased 400 category - expenditure correction		($200.0)	$200.0		$0.0
Dam Safety Engineer Expansion	$167.6				$167.6
50 YWAP / Water Security Planning Act Expansion	$1,031.7				$1,031.7
Middle Rio Grande Water Rights Admin Staff Expansion	$214.1				$214.1
Indian Water Rights Settlements Implementation	$214.1				$214.1
Statewide Water Rights Administration and Enforcement Expansion	$988.2				$988.2
					$0.0
					$0.0
					$0.0
					$0.0
FY28 Request: General Fund	**$23,819.7**	**$426.5**	**$3,114.8**	**$0.0**	**$27,361.0**
$ increase over FY27	$2,885.9	$206.0	$1,526.0	$0.0	$4,617.9
% increase over FY27	13.8%	93.4%	96.0%	#DIV/0!	20.3%

Interstate Stream Commission (P552)	Salaries and Benefits (200's)	Contractual Services (300's)	Other (400's)	Other Financing Uses (500's)	TOTAL
FY27 Operating Budget: General Fund	**$5,414.2**	**$500.0**	**$811.1**	**$0.0**	**$6,725.3**
Increases (Decreases)					
Replacement of Trust Fund budget with GF initiative	$2,838.2	$2,587.1	$1,008.5		$6,433.8
Increase for Amin Costs Statewide initiative			$300.0		$300.0
ESRI Subcription renegotiation / increase initiative			$70.0		$70.0
Increased GSD Costs			$43.8		$43.8
Office Space Needs Statewide Initiative			$260.0		$260.0
reduction in 300 category increased 400 category - expenditure correction		($50.0)	$50.0		$0.0
50 YWAP / WAP WSPA Implement Expansion	$1,013.4	$300.0			$1,313.4
Indian Water Rights Settlement Expansion	$146.6				$146.6
Colorado River Technical Staff Expansion	$146.6				$146.6
Lower Rio Grande Settlement Implementation Expansion	$293.2				$293.2
					$0.0
					$0.0
					$0.0
					$0.0

FY28 Request: General Fund	**$9,852.2**	**$3,337.1**	**$2,543.4**	**$0.0**	**$15,732.7**
$ increase over FY27	$4,438.0	$2,837.1	$1,732.3	$0.0	**$9,007.4**
% increase over FY27	82.0%	567.4%	213.6%	#DIV/0!	**133.9%**

Litigation and Adjudication (P553)	Salaries and Benefits (200's)	Contractual Services (300's)	Other (400's)	Other Financing Uses (500's)	TOTAL
FY27 Operating Budget: General Fund	**$3,821.3**	**$568.3**	**$466.1**	**$0.0**	**$4,855.7**
Increases (Decreases)					
Increase for Amin Costs Statewide initiative			$100.0		**$100.0**
Office Space Needs Statewide Initiative			$200.0		**$200.0**
ESRI Subcription renegotiation / increase initiative			$70.0		**$70.0**
Replacement of Trust Fund budget with GF initiative	$1,661.7	$1,067.5			**$2,729.2**
Middle Rio Grande Adjudication Staff	$1,178.3				**$1,178.3**
					$0.0
					$0.0
					$0.0
					$0.0
					$0.0
					$0.0
					$0.0
					$0.0
					$0.0
FY28 Request: General Fund	**$6,661.3**	**$1,635.8**	**$836.1**	**$0.0**	**$9,133.2**
$ increase over FY27	$2,840.0	$1,067.5	$370.0	$0.0	**$4,277.5**
% increase over FY27	74.3%	187.8%	79.4%	#DIV/0!	**88.1%**

Program Support (P554)	Salaries and Benefits (200's)	Contractual Services (300's)	Other (400's)	Other Financing Uses (500's)	TOTAL
FY27 Operating Budget: General Fund	**$5,627.6**	**$219.7**	**$817.4**	**$0.0**	**$6,664.7**
Increases (Decreases)					
Increase for Amin Costs Statewide initiative			$200.0		**$200.0**
Increase for Audit Costs adjustment		$6.7			**$6.7**
					$0.0
					$0.0
					$0.0
					$0.0
					$0.0
					$0.0
					$0.0
					$0.0
					$0.0
					$0.0
					$0.0
					$0.0
FY28 Request: General Fund	**$5,627.6**	**$226.4**	**$1,017.4**	**$0.0**	**$6,871.4**
$ increase over FY27	$0.0	$6.7	$200.0	$0.0	**$206.7**
% increase over FY27	0.0%	3.0%	24.5%	#DIV/0!	**3.1%**

AGENCY TOTAL (55000)	Salaries and Benefits (200's)	Contractual Services (300's)	Other (400's)	Other Financing Uses (500's)	TOTAL
FY27 Operating Budget: General Fund	**$35,796.9**	**$1,508.5**	**$3,683.4**	**$0.0**	**$40,988.8**
Increases (Decreases)	$10,163.9	$4,117.3	$3,828.3	$0.0	**$18,109.5**
FY28 Request: General Fund	**$45,960.8**	**$5,625.8**	**$7,511.7**	**$0.0**	**$59,098.3**
$ increase over FY27	$10,163.9	$4,117.3	$3,828.3	$0.0	**$18,109.5**
% increase over FY27	28.4%	272.9%	103.9%	#DIV/0!	**44.2%**

BU	PCode	Department
55000	0000	0000000000

S-9 Account Code Revenue/Expenditure Summary

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
499105	General Fd. Appropriation	37,832.3	39,568.9	40,988.8	0.0	53,404.5	5,693.8	59,098.3
111	**General Fund Transfers**	**37,832.3**	**39,568.9**	**40,988.8**	**0.0**	**53,404.5**	**5,693.8**	**59,098.3**
425909	Other Services - Interagency	0.0	0.0	0.0	0.0	0.0	0.0	0.0
499905	Other Financing Sources	182.3	182.3	182.3	0.0	182.3	0.0	182.3
499906	OFS - INTRA-Agency	12,379.2	12,379.2	12,807.0	0.0	3,316.0	0.0	3,316.0
499910	O/F Sources - CU	0.0	0.0	0.0	0.0	0.0	0.0	0.0
112	**Other Transfers**	**12,561.5**	**12,561.5**	**12,989.3**	**0.0**	**3,498.3**	**0.0**	**3,498.3**
451903	Federal Direct - Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0
452003	Federal - Indirect	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
120	**Federal Revenues**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
441101	Interest On Bank Deposits	0.0	1.4	0.0	0.0	0.0	0.0	0.0
441201	Interest On Investments	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
475101	Other Gifts & Grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0
496901	Miscellaneous Revenue	3,036.7	3,036.7	3,090.7	0.0	3,095.7	0.0	3,095.7
496903	Miscellaneous Revenue	961.5	961.5	1,011.5	0.0	1,011.5	0.0	1,011.5
130	**Other Revenues**	**3,998.2**	**3,999.6**	**4,102.2**	**0.0**	**4,107.2**	**0.0**	**4,107.2**
325900	Restricted FB - Gov	751.2	751.2	751.2	0.0	751.2	0.0	751.2
150	**Fund Balance**	**751.2**	**751.2**	**751.2**	**0.0**	**751.2**	**0.0**	**751.2**
TOTAL REVENUE		**55,143.2**	**56,881.2**	**58,831.5**	**0**	**61,761.2**	**5,693.8**	**67,455.0**
520100	Exempt Perm Positions P/T&F/T	4,353.2	1,029.9	1,484.4	1,064.5	1,360.1	0.0	1,360.1
520200	Term Positions	1,027.4	957.5	356.0	5.4	1,521.9	0.0	1,521.9
520300	Classified Perm Positions F/T	25,162.3	25,965.1	30,557.5	37,267.4	29,615.7	4,037.5	33,653.2
520500	Temporary Positions F/T & P/T	213.3	374.8	350.8	8.0	498.7	0.0	498.7
520600	Paid Unused Sick Leave	0.0	39.0	0.0	0.0	0.0	0.0	0.0
520700	Overtime & Other Premium Pay	0.0	279.8	0.0	0.0	0.0	0.0	0.0
520800	Annl & Comp Paid At Separation	0.0	115.8	0.0	0.0	0.0	0.0	0.0
521100	Group Insurance Premium	1,831.1	3,896.7	3,416.0	5,032.8	3,362.0	239.4	3,601.4
521200	Retirement Contributions	5,030.0	5,431.2	5,636.0	7,174.9	5,796.4	769.1	6,565.5
521300	F I C A	2,576.0	2,126.2	1,953.7	2,356.5	1,923.0	248.0	2,171.0
521400	Workers' Comp Assessment Fee	3.5	3.2	3.5	0.0	3.9	0.0	3.9
521410	GSD Work Comp Insur Premium	211.5	211.4	185.5	0.0	190.4	0.0	190.4
521500	Unemployment Comp Premium	10.8	10.8	8.2	0.0	9.0	0.0	9.0
521600	Employee Liability Ins Premium	146.5	146.3	180.6	0.0	198.4	0.0	198.4

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
521700	RHC Act Contributions	638.9	564.4	626.6	784.3	618.5	99.8	718.3
200	**Personal services and employee benef**	**41,204.5**	**41,152.1**	**44,758.8**	**53,693.8**	**45,098.0**	**5,393.8**	**50,491.8**
535200	Professional Services	3,217.1	2,125.2	5,529.2	0.0	3,485.5	300.0	3,785.5
535300	Other Services	2,734.6	1,382.2	422.5	0.0	2,501.2	0.0	2,501.2
535309	Other Services - Interagency	0.0	40.0	0.0	0.0	0.0	0.0	0.0
535400	Audit Services	80.0	81.8	80.0	0.0	86.7	0.0	86.7
535500	Attorney Services	1,597.8	889.7	1,597.8	0.0	1,597.8	0.0	1,597.8
535600	IT Services	116.2	112.6	116.2	0.0	116.2	0.0	116.2
300	**Contractual services**	**7,745.7**	**4,631.4**	**7,745.7**	**0.0**	**7,787.4**	**300.0**	**8,087.4**
542100	Employee I/S Mileage & Fares	10.2	7.1	9.9	0.0	14.5	0.0	14.5
542200	Employee I/S Meals & Lodging	44.3	44.4	39.3	0.0	53.0	0.0	53.0
542300	Brd & Comm Mbr Meals & Lodging	2.5	4.0	2.5	0.0	5.5	0.0	5.5
542310	Brd & Comm Mbr Mileage & Fares	3.0	3.1	3.0	0.0	4.0	0.0	4.0
542500	Transp - Fuel & Oil	90.0	79.1	69.1	0.0	99.1	0.0	99.1
542510	Electric Vehicle Charging Fee	0.0	0.0	0.0	0.0	0.2	0.0	0.2
542600	Transp - Parts & Supplies	8.0	9.6	21.5	0.0	26.4	0.0	26.4
542700	Transp - Transp Insurance	10.0	0.0	10.0	0.0	10.0	0.0	10.0
542800	State Transp Pool Charges	289.9	285.7	292.8	0.0	336.5	0.0	336.5
543100	Maint - Grounds & Roadways	30.0	27.5	30.0	0.0	30.0	0.0	30.0
543200	Maint - Furn, Fixt, Equipment	175.1	153.2	180.8	0.0	221.0	0.0	221.0
543300	Maint - Buildings & Structures	32.3	2.9	31.3	0.0	32.3	0.0	32.3
543400	Maint - Property Insurance	0.1	0.0	0.1	0.0	0.1	0.0	0.1
543500	Maint - Supplies	1.0	0.0	0.5	0.0	0.5	0.0	0.5
543700	Maintenance Services	13.2	0.5	3.2	0.0	3.2	0.0	3.2
543710	Other Service - Non-Contractual	0.0	1.2	0.0	0.0	1.0	0.0	1.0
543820	Maintenance IT	5.2	0.0	5.2	0.0	5.2	0.0	5.2
543830	IT HW/SW Agreements	405.3	494.0	402.1	0.0	722.4	0.0	722.4
544000	Supply Inventory IT	200.2	322.5	191.2	0.0	481.2	0.0	481.2
544100	Supplies-Office Supplies	46.2	49.5	41.2	0.0	61.2	0.0	61.2
544200	Supplies-Medical,Lab,Personal	2.0	0.4	2.0	0.0	2.0	0.0	2.0
544300	Supplies-Drugs	0.0	0.0	0.0	0.0	0.0	0.0	0.0
544400	Supplies-Field Supplies	27.0	31.9	31.5	0.0	36.5	0.0	36.5
544700	Supplies-Clothng,Unifrms,Linen	13.2	5.8	9.0	0.0	23.0	0.0	23.0

BU	PCode	Department
55000	0000	0000000000

S-9 Account Code Revenue/Expenditure Summary

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
544800	Supplies-Education&Recreation	4.3	34.6	2.0	0.0	42.5	0.0	42.5
544900	Supplies-Inventory Exempt	43.0	39.6	40.0	0.0	60.0	0.0	60.0
545600	Reporting & Recording	17.0	18.1	18.0	0.0	25.0	0.0	25.0
545700	ISD Services	227.2	251.5	329.6	0.0	376.3	0.0	376.3
545710	DOIT HCM Assessment Fees	133.0	143.9	154.5	0.0	152.6	0.0	152.6
545900	Printing & Photo Services	22.0	15.5	14.0	0.0	24.0	0.0	24.0
546100	Postage & Mail Services	14.1	91.7	18.6	0.0	84.6	0.0	84.6
546310	Utilities - Sewer/Garbage	31.8	9.2	27.2	0.0	32.7	0.0	32.7
546320	Utilities - Electricity	124.8	101.8	124.8	0.0	132.6	0.0	132.6
546330	Utilities - Water	1.9	0.8	1.9	0.0	2.9	0.0	2.9
546340	Utilities - Natural Gas	2.5	1.4	3.0	0.0	4.0	0.0	4.0
546350	Utilities - Propane	1.5	1.4	1.5	0.0	1.5	0.0	1.5
546400	Rent Of Land & Buildings	1,704.1	1,296.9	1,704.8	0.0	2,838.8	0.0	2,838.8
546409	Rent Expense - Interagency	3.0	1.2	3.0	0.0	6.0	0.0	6.0
546500	Rent Of Equipment	138.0	201.3	156.1	0.0	233.4	0.0	233.4
546600	Communications	8.0	3.1	8.0	0.0	8.0	0.0	8.0
546610	DOIT Telecommunications	477.7	521.2	547.6	0.0	566.3	0.0	566.3
546700	Subscriptions/Dues/License Fee	356.9	370.1	352.3	0.0	502.3	0.0	502.3
546709	Subscription & Due Interagency	0.0	0.2	0.0	0.0	0.0	0.0	0.0
546800	Employee Training & Education	45.7	61.6	47.7	0.0	107.7	0.0	107.7
546900	Advertising	4.2	4.4	6.0	0.0	6.0	0.0	6.0
547400	Grants To Local Governments	0.0	1,283.6	0.0	0.0	0.0	0.0	0.0
547900	Miscellaneous Expense	950.6	964.0	929.1	0.0	974.7	0.0	974.7
547999	Request to Pay Prior Year	3.0	211.9	3.0	0.0	3.0	0.0	3.0
548300	Information Tech Equipment	96.9	0.0	79.9	0.0	79.4	0.0	79.4
548400	Other Equipment	30.0	0.0	30.0	0.0	30.0	0.0	30.0
548900	Buildings & Structures	221.9	12.7	221.9	0.0	267.4	0.0	267.4
549600	Employee O/S Mileage & Fares	18.2	14.4	24.7	0.0	29.7	0.0	29.7
549700	Employee O/S Meals & Lodging	23.0	19.7	21.6	0.0	35.6	0.0	35.6
400	**Other**	**6,113.0**	**7,198.0**	**6,247.0**	**0.0**	**8,795.8**	**0.0**	**8,795.8**
555100	Other Financing Uses	80.0	0.0	80.0	0.0	80.0	0.0	80.0
555106	OFU - INTRA-Agency	0.0	0.0	0.0	0.0	0.0	0.0	0.0
500	**Other financing uses**	**80.0**	**0.0**	**80.0**	**0.0**	**80.0**	**0.0**	**80.0**

BU	PCode	Department
55000	0000	0000000000

S-9 Account Code Revenue/Expenditure Summary
(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
TOTAL EXPENSE		**55,143.2**	**52,981.5**	**58,831.5**	**53,693.76**	**61,761.2**	**5,693.8**	**67,455.0**
810	Permanent	368.00	320.00	371.00	406.00	373.00	39.00	412.00
810	**Permanent**	**368.00**	**320.00**	**371.00**	**406.00**	**373.00**	**39.00**	**412.00**
820	Term	15.00	0.00	13.00	0.00	17.00	0.00	17.00
820	**Term**	**15.00**	**0.00**	**13.00**	**0.00**	**17.00**	**0.00**	**17.00**
830	Temporary	28.00	0.00	33.00	0.00	35.00	0.00	35.00
830	**Temporary**	**28.00**	**0.00**	**33.00**	**0.00**	**35.00**	**0.00**	**35.00**
TOTAL FTE POSITIONS		**411.00**	**320.00**	**417.00**	**406.00**	**425.00**	**39.00**	**464.00**

APPROPRIATION REQUEST
FORM S-10 FUND BALANCE PROJECTION

(In Whole Dollars)

Agency: State Engineer — Business Unit: 55000

Fund Name: Irrigation Works Contruct Fund — Fund Number: 32600

Legal Auth. 72-14-23 NMSA 1978

BEGINNING BALANCE

Unreserved, undesignated fund balance (not cash balance) from SHARE NMS006GL Balance Sheet Report at close of FY26		37,098,600

ADJUSTMENTS

Add:

Interfund receivables, accounts receivables, and other assets not reflected in fund balance from FCD Reports at close of FY26	0	
Other (explain in detail)	0	

Deduct:

Liabilities not reflected in FCD Reports at close of FY26	(5,986,300)	
Fund balance designated by law for future expenditure (non-reverting funds)	0	
Amount due to State General Fund or other fund designated by statute	0	
Other (explain in detail)	0	
FY26 revision not reflected in liabilities	0	
Total Adjustments		(5,986,300)
ADJUSTED UNRESERVED, UNDESIGNATED FUND BALANCE at close of FY26		31,112,300

Add:

Projected revenue/sources (less fund balance budgeted) for FY27	9,523,700	

Deduct:

Projected total expenditures for FY27	(12,801,100)	
ADJUSTED UNRESERVED/UNDESIGNATED FUND BALANCE at close of FY27		27,834,900

Add:

Projected revenue/sources (less fund balance requested) for FY28	9,523,700	

Deduct:

Total expenditures budgeted in appropriation request	(1,298,400)	
ADJUSTED UNRESERVED/UNDESIGNATED FUND BALANCE at close of FY28		36,060,200

APPROPRIATION REQUEST
FORM S-10 FUND BALANCE PROJECTION

(In Whole Dollars)

Agency:	State Engineer	Business Unit:	55000
Fund Name:	Impr Rio Grande Income Fund	Fund Number:	32800
Legal Auth.	72-14-4-NMSA-1978		

BEGINNING BALANCE

Unreserved, undesignated fund balance (not cash balance) from SHARE NMS006GL Balance Sheet Report at close of FY26		5,736,300

ADJUSTMENTS

Add:

Interfund receivables, accounts receivables, and other assets not reflected in fund balance from FCD Reports at close of FY26	0	
Other (explain in detail)	0	

Deduct:

Liabilities not reflected in FCD Reports at close of FY26	(1,455,700)	
Fund balance designated by law for future expenditure (non-reverting funds)	0	
Amount due to State General Fund or other fund designated by statute	0	
Other (explain in detail)	0	
FY26 revision not reflected in liabilities	0	
Total Adjustments		(1,455,700)
ADJUSTED UNRESERVED, UNDESIGNATED FUND BALANCE at close of FY26		4,280,600

Add:

Projected revenue/sources (less fund balance budgeted) for FY27	2,134,100	

Deduct:

Projected total expenditures for FY27	(3,454,500)	
ADJUSTED UNRESERVED/UNDESIGNATED FUND BALANCE at close of FY27		2,960,200

Add:

Projected revenue/sources (less fund balance requested) for FY28	2,134,100	

Deduct:

Total expenditures budgeted in appropriation request	(713,200)	
ADJUSTED UNRESERVED/UNDESIGNATED FUND BALANCE at close of FY28		4,381,100

State of New Mexico

Rate Report - Selected Line Items for Rates

(Dollars in Thousands)

Org Unit		Line		2025-26 Actuals	2026-27 OpBud	FY 2028 Request Base	FY 2028 Request Expansion	FY 2028 Recommendation Base	FY 2028 Recommendation Expansion	Opbud
55000 P551	**Water Resource Allocation**	521410	GSD Work Comp Insur Premium	78.4	93.4	97.7	0	0	0.0	0.0
		521600	Employee Liability Ins Premium	49.92	88.1	101.7	0	0	0.0	0.0
		542800	State Transp Pool Charges	204.68	220.1	220.1	0	0	0.0	0.0
		545700	ISD Services	136.47	160.8	193	0	0	0.0	0.0
		545710	DOIT HCM Assessment Fees	75.22	70.1	78.3	0	0	0.0	0.0
		546610	DOIT Telecommunications	270.84	277.8	290.5	0	0	0.0	0.0
55000	**P551 Water Resource Allocation**			**815.54**	**910.3**	**981.3**	**0**	**0**	**0.0**	**0.0**
55000 P552	**Interstate Stream Compact Compliance**	521410	GSD Work Comp Insur Premium	26.7	33.6	35.2	0	0	0.0	0.0
		521600	Employee Liability Ins Premium	17.1	32.7	36.7	0	0	0.0	0.0
		542800	State Transp Pool Charges	48.63	43.6	74.3	0	0	0.0	0.0
		545700	ISD Services	42.83	60	69.6	0	0	0.0	0.0
		545710	DOIT HCM Assessment Fees	25.59	30	28.2	0	0	0.0	0.0
		546610	DOIT Telecommunications	91.4	99.3	104.7	0	0	0.0	0.0
55000	**P552 Interstate Stream Compact Compliance**			**252.26**	**299.2**	**348.7**	**0**	**0**	**0.0**	**0.0**
55000 P553	**Litigation and Adjudication**	521410	GSD Work Comp Insur Premium	25.9	33.6	34.2	0	0	0.0	0.0
		521600	Employee Liability Ins Premium	16.5	32.7	35.7	0	0	0.0	0.0
		542800	State Transp Pool Charges	26.6	22	35	0	0	0.0	0.0
		545700	ISD Services	40.61	60	67.6	0	0	0.0	0.0
		545710	DOIT HCM Assessment Fees	24.82	30	27.4	0	0	0.0	0.0
		546610	DOIT Telecommunications	88.43	99.3	101.8	0	0	0.0	0.0
55000	**P553 Litigation and Adjudication**			**222.86**	**277.6**	**301.7**	**0**	**0**	**0.0**	**0.0**
55000 P554	**Program Support**	521410	GSD Work Comp Insur Premium	80.38	24.9	23.3	0	0	0.0	0.0
		521500	Unemployment Comp Premium	10.79	8.2	9	0	0	0.0	0.0
		521600	Employee Liability Ins Premium	62.8	27.1	24.3	0	0	0.0	0.0
		535400	Audit Services	81.8	80	86.7	0	0	0.0	0.0
		542700	Transp - Transp Insurance	0	10	10	0	0	0.0	0.0
		542800	State Transp Pool Charges	5.82	7.1	7.1	0	0	0.0	0.0
		543400	Maint - Property Insurance	0	0.1	0.1	0	0	0.0	0.0
		545700	ISD Services	31.58	48.8	46.1	0	0	0.0	0.0
		545710	DOIT HCM Assessment Fees	18.22	24.4	18.7	0	0	0.0	0.0
		546610	DOIT Telecommunications	70.56	71.2	69.3	0	0	0.0	0.0

State of New Mexico

Rate Report - Selected Line Items for Rates

(Dollars in Thousands)

					-----FY 2028-----				
			2025-26	2026-27	Request		Recommendation		
Org Unit		Line	Actuals	OpBud	Base	Expansion	Base	Expansion	Opbud
55000	P554	Program Support	361.95	301.8	294.6	0	0	0.0	0.0
			1,652.61	1,788.9	1,926.3	0	0	0	0.0

State of New Mexico

Rate Report - Selected Line Items for Rates

(Dollars in Thousands)

Totals by Line Item

BusUnit	Line Item		2025-26 Actuals	2026-27 Opbud	FY 2028 Request Base	FY 2028 Request Expansion	FY 2028 Recommendation Base	FY 2028 Recommendation Expansion	FY 2028 Opbud
55000	521410	GSD Work Comp Insur Premium	211.38	185.5	190.4	0	0	0.0	0.0
	521500	Unemployment Comp Premium	10.79	8.2	9	0	0	0.0	0.0
	521600	Employee Liability Ins Premium	146.32	180.6	198.4	0	0	0.0	0.0
	535400	Audit Services	81.8	80	86.7	0	0	0.0	0.0
	542700	Transp - Transp Insurance	0	10	10	0	0	0.0	0.0
	542800	State Transp Pool Charges	285.74	292.8	336.5	0	0	0.0	0.0
	543400	Maint - Property Insurance	0	0.1	0.1	0	0	0.0	0.0
	545700	ISD Services	251.49	329.6	376.3	0	0	0.0	0.0
	545710	DOIT HCM Assessment Fees	143.85	154.5	152.6	0	0	0.0	0.0
	546610	DOIT Telecommunications	521.24	547.6	566.3	0	0	0.0	0.0
		Grand Total	**1,652.61**	**1,788.9**	**1,926.3**	**0**	**0**	**0.0**	**0.0**

State Engineer

BU
55000

State of New Mexico

R-2 Transfers
(Dollars in Thousands)

Prov PCode	Prov Fund	Prov Account	Prov Account Name	Rec PCode	Rec Fund	Rec Account	Rec Account Name	2025-26 Actual Transfers	2026-27 Adopted Transfers	2027-28 Agency GF	2027-28 Agency OSF	2027-28 Agency ISF/IAT	2027-28 Agency FF	2027-28 Total Request	Justification
P553	21400	555100	Other Financi	P620	51200	499905	Other Financi	80	0	0	80	0	0	80	
								Sum:	**0**	**0**	**80**	**0**	**0**	**80**	

REV EXP COMPARISON

(Dollars in Thousands)

55000 - State Engineer

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES	**59,098.3**	**4,858.4**	**3,498.3**	**0.0**	**67,455.0**
Personal services and employee benefits	45,960.8	3,708.4	822.6	0.0	50,491.8
Contractual services	5,625.8	190.0	2,271.6	0.0	8,087.4
Other	7,511.7	880.0	404.1	0.0	8,795.8
Other financing uses	0.0	80.0	0.0	0.0	80
USES Total:	**59,098.3**	**4,858.4**	**3,498.3**	**0.0**	**67,455.0**
Net:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Business Unit	Rank	Form ID	Language Requested for GAA	Request Type Name	GF Request	Total Request	FTE Request	Agency Contact	Phone
55000	0	85096	for implementation of the water security planning act, 50-year water action plan and modernization of agency online information and engagement tools, for expenditure through fiscal year 2029.	Special (FY 28)	12,000.0	12,000.0	0.00	Hannah Riseley-White	505 695 5592
55000	0	85097	for state compliance with the 2003 Pecos settlement agreement, including required augmentation pumping and other drought relief activities on the Lower Pecos Basin, for expenditure through fiscal year 2029.	Special (FY 28)	3,000.0	3,000.0	0.00	Hannah Riseley-White	505 695 5592
55000	0	85100	for activities that protect New Mexico's interests in the Colorado River Basin, for expenditure through fiscal year 2029.	Special (FY 28)	10,000.0	10,000.0	0.00	Hannah Riseley-White	505 695 5592
55000	0	85101	for implementation of the lower Rio Grande settlement, for expenditure through fiscal year 2029.	Special (FY 28)	30,000.0	30,000.0	0.00	Hannah Riseley-White	505 695 5592
55000	0	85103	for river conveyance projects along the mainstem of the Rio Grande and its tributaries , for expenditure through fiscal year 2029.	Special (FY 28)	10,000.0	10,000.0	0.00	Hannah Riseley-White	505 695 5592
55000	0	85104	for the strategic water reserve including placement in the Strategic Water Reserve Fund, for expenditure through fiscal year 2029.	Special (FY 28)	15,000.0	15,000.0	0.00	Hannah Riseley-White	505 695 5592
55000	0	85106	for statewide use for weather modification initiatives intended to augment water supplies; meteorological and climatological measurement stations and equipment; and specialized weather modification and precipitation research, for expenditure through fiscal year 2029	Special (FY 28)	10,000.0	10,000.0	0.00	Tanya Trujillo	505 487 6083
55000	0	85107	for water right adjudication work, including hydrographic surveying, for expenditure through fiscal year 2029.	Special (FY 28)	0.0	5,000.0	0.00	Nathaniel Chakeres	505 231 4459
55000	0	85108	for office rent in Santa Fe, for expenditure through year 2029	Special (FY 28)	1,170.9	1,170.9	0.00	Jeff Primm	505 476 0536
55000	0	85109	to modernize the office of the state engineer’s document management capabilities.	C2 Section 7 Request	0.0	2,000.0	0.00	Gavin Lujan	505 394 0658
55000	0	85110	to replace the water administration technical engineering resource system.	C2 Section 7 Request	0.0	2,000.0	0.00	Gavin Lujan	505 394 0658
55000	0	85136	to fund acequia projects statewide, for expenditure through fiscal year 2030.	GRO recommend ations	16,500.0	16,500.0	0.00	Hannah Riseley-White	505 695 5592

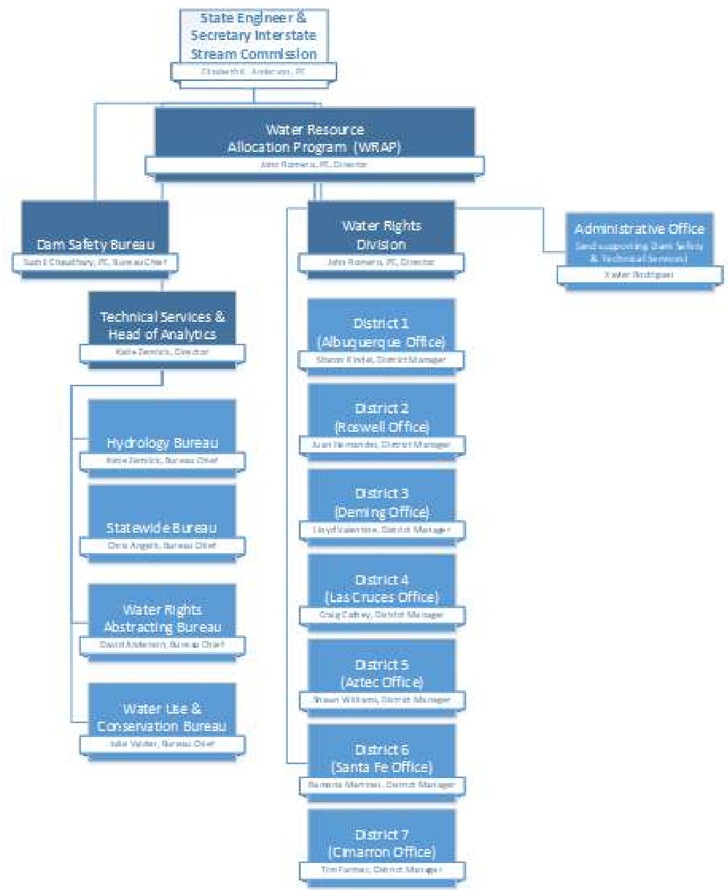
Agency Name: Office of the State Engineer

Program Name: Water Resource Allocation Program

Business Unit: 55000

Program Code: P551

APPROPRIATION REQUEST
ORGANIZATION CHART
FORM S-2



☐ Check Box if this form is a revision   Revision no: Revision Date: 6/30/2011   Page

Program Description:

The Water Resource Allocation Program includes: the Water Rights Division, the Statewide Projects group, the Water Rights Abstract Bureau, the Hydrology Bureau; the Water Use and Conservation Bureau; and the Dam Safety Bureau.

Under New Mexico water law, all groundwater and surface waters are public waters of the state and subject to appropriation under the Doctrine of Prior Appropriation. The Doctrine of Prior Appropriation is a constitutional provision that states that earlier appropriations have priority over later appropriations. The Water Resource Allocation Program (WRAP) is primarily responsible for processing water rights applications, conducting the scientific research for making water rights decisions, maintaining water rights records, administering water rights to achieve sustainable groundwater supplies and compliance with interstate compacts, and enforcing any conditions or restrictions on water use. Also, the program has taken the lead on the Agency initiative referred to as Active Water Resource Management (AWRM). AWRM refers to a broad range of activities that enhances the State Engineer's ability to manage and administer the actual use of water in the field and allows for "Alternative Administration" that is agreed upon by the stakeholders in a particular basin. These activities include the placement of measurement and metering devices, creation of water districts, appointment of water masters (in the field) development of water master manuals, abstracting paper files into the agency's computer of water master manuals, abstracting paper files into the agency's computer database and implementation of district-specific rules and regulations. Water masters in the program measure stream flow, allocate water within a stream system based on state law, and regulate and control diversions.

WRAP staff inventories water resources, monitors water use and cooperates with the U.S. Geological Survey and the New Mexico Bureau of Geology and Mineral Resources in monitoring groundwater levels throughout the state. Additional program duties include licensing all well drillers, maintaining and updating the rules and regulations of the State Engineer, administering the Dam Safety Bureau, evaluating subdivision water supply plans submitted by counties, and promoting water conservation and education. The Water Rights Abstract Bureau populates the Water Administration Technical Engineering Resource System (WATERS) database with all the individual water rights files within the state and making the information available to the public through an internet-based New Mexico Water Rights Reporting System (NMWRRS). The Hydrology Bureau collects and analyzes data to support policy development and planning, evaluates the availability of water, provides expert testimony and performs other technical tasks. The Water Use and Conservation Program inventories water use in the state, calculates irrigation water right requirements and also coordinates water conservation activities in the state. The Dam Safety Bureau regulates jurisdictional dams that are over a certain height and storage volume to ensure that dam owners operate and maintain their facilities within the law and as safely as possible.

The seven Water Rights District offices around the state work very closely with the public as well as stakeholders and key partners both inside and outside of the agency to effectively administer New Mexico's water resources. Staff from all seven district offices provide a statewide foundation for the application of NM Statute, rules and regulations by providing water resource management and administration support in the following areas:
• Evaluation of water right applications for new appropriations or to change an element of an existing water right.
• Evaluation of applications that include but are not limited to domestic wells, livestock wells, temporary construction wells, exploratory wells, monitoring wells, repair and/or deepening of wells, surface water impoundments, livestock impoundments, aquifer storage and recovery and changes of ownership of water rights.
• Regulating the construction and abandonment of wells.
• Maintaining accurate diversion records of both surface water and groundwater throughout the state. The Water Master program provides this support by measuring stream flow, allocating water within a stream system based on state water law and regulating and control diversions.
• Maintaining accurate water right records by analyzing and abstracting water rights files for entire water basins and populating the Water Rights Reporting System database.
• Ensuring compliance and enforcement within NM State Water Laws through the application of the recently enacted enforcement rule NMSA 72-2-18 (C).

enforcement rule NMSA 72-2-18 (G).
• Reviewing and verifying water rights for recreational cannabis growing activities in cooperation with the Regulation Licensing Department /Cannabis Control Division.
• Serving as an expert witness for the Water Rights Division during administrative proceedings.

Major Issues and Accomplishments:

The most pressing challenges facing the program are staffing/retention and increased workload due to the ongoing drought. The program has pushed to recruit new staff and retain current staff. Meanwhile, the number of water rights applications filed continues to increase as the drought persists and Cannabis production continues. Cannabis Water Right validations for RLD/CCD have begun to stabilize statewide with approximately 50 requests coming into the agency monthly. The number of water rights applications filed continues to stay steady statewide. Approximately one-third of applications submitted to the Water Rights Division each year are protested or aggrieved. The backlog is still significant, but the WR Division has managed to bring down the Water Rights Applications Backlog below 300 statewide. As far as drought, the agency is at 95% readiness level to implement AWRM in the seven priority basins. Water Masters have been hired and trained in all seven priority basins. Ongoing implementation of metering in all seven priority basins continues to improve how AWRM is administered by the Water Masters. Additional costs will be incurred as technology changes and improves. Necessary annual expenditure will increase as AWRM initiatives advance to cover the operational and maintenance costs of the metering equipment. An important accomplishment for WRAP was the successful passage of enforcement legislature last session, which will help deter illegal water use statewide and help protect the state's water resources.

The Water Rights Abstract Bureau (WRAB) enters data from paper water rights records into the online WATERS database; scans records into a linked document database; and maps water rights in a geographic information system (GIS) geodatabase. Bureau managers and staff write custom database queries to extract data to support other agency operations. Significant progress has been made abstracting basins with the Estancia Basin being completed and the Roswell Artesian Basin abstract commencing.

The Water Use and Conservation Bureau supports water rights administration, adjudications and litigation, water planning and water conservation efforts. This is accomplished through the calculation of irrigation water requirements, review of water development plans, water conservation plans, review of subdivision proposals, and conservation outreach programs.

The Dam Safety Bureau continues to regulate dams by permitting dam safety modifications and new construction by performing dam safety inspections. The Dam Safety Bureau is endeavoring to modernizing its regulatory functions to fill this information gap by transitioning from traditional standard-based approach to the practice of risk-informed-decision-making approach in order to advance the state's assessment of need to inform prioritization of limited repair and rehabilitation resources. The Bureau had started this transition using a limited-term grant-funded position that began performing Bureau-initiated engineering analyses for high hazard potential dams and has requested an expansion to fund this new function on a permanent basis.

The Hydrology Bureau manages hydrologic data collection programs and modeling projects, and conducts hydrologic evaluations to support agency water rights administration, adjudications and litigation, regional and state water planning, and general water management. The main data collection programs are conducted in collaboration with the USGS using state and federal matching funds. While program costs have increased, the USGS's cost share contribution decreased significantly. Despite these challenges the Bureau strives to develop hydrologic analysis and tools in support of statewide regulatory and modernization initiatives, and provides technical expertise used by District Offices and agency leadership.

Overview of Request:

The agency is proposing to replace trust fund revenue reliance with general fund for this program in order to return the trust funds to their statutory purposes.

The significant programmatic changes proposed by WRAP are:
* The 50 Year Water Action Plan expansion is for 1,031.7 would support addition of 7 new water resource FTEs
* The Dam Safety engineering assessment expansion is for 167.6 and 1 new engineering position
* The Indian Water Rights Settlement expansion is for 214.1 and 2 new water administration positions
* Middle Rio Grande Water Rights Administration metering expansion is for 214.1 and 2 new water administration positions
* Statewide Water Rights Administration expansion is for 988.2 and 8 water rights administration and enforcement positions.

Programmatic Changes:

All significant programmatic changes are contained within the expansion requests:
* Expanded 50 Year Water Action Plan activities
* Dam Safety engineering assessment position
* Middle Rio Grande Water Rights Administration metering order staff
* Statewide Water Rights Administration additional district staff
* Indian Water Rights Settlement Implementation

Base Budget Justification:

*WRAP is requesting four base increases to cover: GSD rates, GIS Software License increases, increased administrative costs associated with program growth, and its growing office space needs in Albuquerque and Las Cruces.

* The program is requesting a budget category shift to move 200.0 in budget from the 300s into the 400s due to a change in expenditure category for software licensing agreements implemented by FCD in previous fiscal years.

BU	PCode	Department
55000	P551	000000

State of New Mexico

S-8 Financial Summary

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
REVENUE								
111	General Fund Transfers	20,981.0	21,976.1	22,743.1	0.0	24,745.3	2,615.7	27,361.0
112	Other Transfers	723.9	723.9	980.2	0.0	0.0	0.0	0.0
120	Federal Revenues	0.0	0.0	0.0	0.0	0.0	0.0	0.0
130	Other Revenues	961.5	961.5	1,011.5	0.0	1,011.5	0.0	1,011.5
REVENUE, TRANSFERS		**22,666.4**	**23,661.5**	**24,734.8**	**0.0**	**25,756.8**	**2,615.7**	**28,372.5**
REVENUE		**22,666.4**	**23,661.5**	**24,734.8**	**0.0**	**25,756.8**	**2,615.7**	**28,372.5**
EXPENSE								
200	Personal services and employee benefits	20,077.0	20,854.1	22,055.4	27,105.3	22,069.3	2,615.7	24,685.0
300	Contractual services	626.5	333.4	626.5	0.0	426.5	0.0	426.5
400	Other	1,962.9	2,285.4	2,052.9	0.0	3,261.0	0.0	3,261.0
EXPENDITURES		**22,666.4**	**23,472.9**	**24,734.8**	**27,105.25**	**25,756.8**	**2,615.7**	**28,372.5**
EXPENSE		**22,666.4**	**23,472.9**	**24,734.8**	**27,105.25**	**25,756.8**	**2,615.7**	**28,372.5**
FTE POSITIONS								
810	Permanent	192.00	170.00	194.00	212.00	195.00	20.00	215.00
820	Term	5.00	0.00	4.00	0.00	4.00	0.00	4.00
830	Temporary	18.00	0.00	16.00	0.00	16.00	0.00	16.00
FTEs		**215.00**	**170.00**	**214.00**	**212.00**	**215.00**	**20.00**	**235.00**
FTE POSITIONS		**215.00**	**170.00**	**214.00**	**212.00**	**215.00**	**20.00**	**235.00**

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
499105	General Fd. Appropriation	20,981.0	21,976.1	22,743.1	0.0	24,745.3	2,615.7	27,361.0
111	**General Fund Transfers**	**20,981.0**	**21,976.1**	**22,743.1**	**0.0**	**24,745.3**	**2,615.7**	**27,361.0**
499905	Other Financing Sources	0.0	0.0	0.0	0.0	0.0	0.0	0.0
499906	OFS - INTRA-Agency	723.9	723.9	980.2	0.0	0.0	0.0	0.0
112	**Other Transfers**	**723.9**	**723.9**	**980.2**	**0.0**	**0.0**	**0.0**	**0.0**
451903	Federal Direct - Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0
120	**Federal Revenues**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
496901	Miscellaneous Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0
496903	Miscellaneous Revenue	961.5	961.5	1,011.5	0.0	1,011.5	0.0	1,011.5
130	**Other Revenues**	**961.5**	**961.5**	**1,011.5**	**0.0**	**1,011.5**	**0.0**	**1,011.5**
TOTAL REVENUE		**22,666.4**	**23,661.5**	**24,734.8**	**0.0**	**25,756.8**	**2,615.7**	**28,372.5**
520200	Term Positions	100.0	226.4	191.0	1.6	282.1	0.0	282.1
520300	Classified Perm Positions F/T	14,803.4	13,758.4	15,452.9	19,124.6	15,361.8	1,952.8	17,314.6
520500	Temporary Positions F/T & P/T	0.0	196.4	191.0	3.7	191.0	0.0	191.0
520600	Paid Unused Sick Leave	0.0	19.2	0.0	0.0	0.0	0.0	0.0
520700	Overtime & Other Premium Pay	0.0	151.9	0.0	0.0	0.0	0.0	0.0
520800	Annl & Comp Paid At Separation	0.0	45.5	0.0	0.0	0.0	0.0	0.0
521100	Group Insurance Premium	892.4	2,257.1	2,056.0	2,837.8	2,056.0	122.8	2,178.8
521200	Retirement Contributions	2,904.3	2,726.5	2,760.0	3,569.6	2,756.0	371.9	3,127.9
521300	F I C A	929.9	1,059.8	923.0	1,177.0	923.0	119.9	1,042.9
521400	Workers' Comp Assessment Fee	0.0	1.7	0.0	0.0	0.0	0.0	0.0
521410	GSD Work Comp Insur Premium	78.4	78.4	93.4	0.0	97.7	0.0	97.7
521600	Employee Liability Ins Premium	50.1	49.9	88.1	0.0	101.7	0.0	101.7
521700	RHC Act Contributions	318.5	282.7	300.0	390.9	300.0	48.3	348.3
200	**Personal services and employee benef**	**20,077.0**	**20,854.1**	**22,055.4**	**27,105.3**	**22,069.3**	**2,615.7**	**24,685.0**
535200	Professional Services	282.1	67.5	220.5	0.0	320.5	0.0	320.5
535300	Other Services	344.4	265.9	406.0	0.0	106.0	0.0	106.0
300	**Contractual services**	**626.5**	**333.4**	**626.5**	**0.0**	**426.5**	**0.0**	**426.5**
542100	Employee I/S Mileage & Fares	0.5	0.4	0.5	0.0	0.5	0.0	0.5
542200	Employee I/S Meals & Lodging	22.8	27.7	20.8	0.0	20.8	0.0	20.8
542500	Transp - Fuel & Oil	67.1	58.9	50.3	0.0	70.3	0.0	70.3
542600	Transp - Parts & Supplies	7.0	5.5	20.5	0.0	20.5	0.0	20.5
542800	State Transp Pool Charges	200.1	204.7	220.1	0.0	220.1	0.0	220.1

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
543200	Maint - Furn, Fixt, Equipment	0.2	0.5	0.2	0.0	0.2	0.0	0.2
543300	Maint - Buildings & Structures	0.8	0.0	0.8	0.0	0.8	0.0	0.8
543500	Maint - Supplies	0.5	0.0	0.0	0.0	0.0	0.0	0.0
543700	Maintenance Services	13.0	0.5	3.0	0.0	3.0	0.0	3.0
543710	Other Service - Non-Contractual	0.0	0.4	0.0	0.0	0.0	0.0	0.0
543830	IT HW/SW Agreements	6.0	159.3	20.0	0.0	180.0	0.0	180.0
544000	Supply Inventory IT	38.4	136.2	28.4	0.0	158.4	0.0	158.4
544100	Supplies-Office Supplies	18.7	21.9	13.7	0.0	23.7	0.0	23.7
544200	Supplies-Medical,Lab,Personal	0.0	0.1	0.0	0.0	0.0	0.0	0.0
544400	Supplies-Field Supplies	5.0	5.0	9.0	0.0	9.0	0.0	9.0
544700	Supplies-Clothng,Unifrms,Linen	7.2	3.4	2.0	0.0	7.0	0.0	7.0
544800	Supplies-Education&Recreation	3.8	34.6	1.5	0.0	41.5	0.0	41.5
544900	Supplies-Inventory Exempt	8.0	17.6	8.0	0.0	23.0	0.0	23.0
545600	Reporting & Recording	0.0	0.1	0.0	0.0	0.0	0.0	0.0
545700	ISD Services	118.8	136.5	160.8	0.0	193.0	0.0	193.0
545710	DOIT HCM Assessment Fees	69.5	75.2	70.1	0.0	78.3	0.0	78.3
545900	Printing & Photo Services	2.0	10.4	2.0	0.0	12.0	0.0	12.0
546100	Postage & Mail Services	2.1	57.1	2.1	0.0	32.1	0.0	32.1
546320	Utilities - Electricity	3.0	3.7	3.0	0.0	4.0	0.0	4.0
546330	Utilities - Water	0.9	0.8	0.9	0.0	0.9	0.0	0.9
546340	Utilities - Natural Gas	1.5	1.4	2.0	0.0	2.0	0.0	2.0
546400	Rent Of Land & Buildings	1,026.8	865.4	1,026.8	0.0	1,622.8	0.0	1,622.8
546500	Rent Of Equipment	55.0	106.3	72.0	0.0	112.0	0.0	112.0
546600	Communications	6.5	1.5	6.5	0.0	6.5	0.0	6.5
546610	DOIT Telecommunications	249.8	270.8	277.8	0.0	290.5	0.0	290.5
546700	Subscriptions/Dues/License Fee	7.0	16.9	7.0	0.0	77.0	0.0	77.0
546800	Employee Training & Education	4.5	20.4	6.9	0.0	21.9	0.0	21.9
546900	Advertising	0.2	0.1	0.0	0.0	0.0	0.0	0.0
547900	Miscellaneous Expense	5.0	5.4	5.0	0.0	6.0	0.0	6.0
547999	Request to Pay Prior Year	0.0	5.4	0.0	0.0	0.0	0.0	0.0
548300	Information Tech Equipment	5.0	0.0	5.0	0.0	5.0	0.0	5.0
548900	Buildings & Structures	0.0	12.7	0.0	0.0	0.0	0.0	0.0
549600	Employee O/S Mileage & Fares	3.2	5.2	3.2	0.0	5.2	0.0	5.2
549700	Employee O/S Meals & Lodging	3.0	13.4	3.0	0.0	13.0	0.0	13.0

BU	PCode	Department
55000	P551	000000

S-9 Account Code Revenue/Expenditure Summary
(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
400	**Other**	**1,962.9**	**2,285.4**	**2,052.9**	**0.0**	**3,261.0**	**0.0**	**3,261.0**
TOTAL EXPENSE		**22,666.4**	**23,472.9**	**24,734.8**	**27,105.3**	**25,756.8**	**2,615.7**	**28,372.5**
810	Permanent	192.00	170.00	194.00	212.00	195.00	20.00	215.00
810	**Permanent**	**192.00**	**170.00**	**194.00**	**212.00**	**195.00**	**20.00**	**215.00**
820	Term	5.00	0.00	3.00	0.00	4.00	0.00	4.00
820	**Term**	**5.00**	**0.00**	**3.00**	**0.00**	**4.00**	**0.00**	**4.00**
830	Temporary	18.00	0.00	16.00	0.00	16.00	0.00	16.00
830	**Temporary**	**18.00**	**0.00**	**16.00**	**0.00**	**16.00**	**0.00**	**16.00**
TOTAL FTE POSITIONS		**215.00**	**170.00**	**213.00**	**212.00**	**215.00**	**20.00**	**235.00**

REV EXP COMPARISON

(Dollars in Thousands)

55000 - State Engineer

P551 - Water Resource Allocation

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES Totals	**27,361.0**	**1,011.5**	**0.0**	**0.0**	**28,372.5**
Personal services and employee benefits	23,819.7	865.3	0.0	0.0	24,685
Contractual services	426.5	0.0	0.0	0.0	426.5
Other	3,114.8	146.2	0.0	0.0	3,261
USES Total:	**27,361.0**	**1,011.5**	**0.0**	**0.0**	**28,372.5**
Net:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

(Dollars in Thousands)

Dam Safety Engineer , FEMA funding not renewed **Rank:** 0

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	167.6	0.0	0.0	0.0	167.6	0.0
REVENUE, TRANSFERS	**167.6**	**0.0**	**0.0**	**0.0**	**167.6**	**0.0**
Personal services and employee b	167.6	0.0	0.0	0.0	167.6	0.0
EXPENDITURES	**167.6**	**0.0**	**0.0**	**0.0**	**167.6**	**0.0**
Permanent	0	0	0	0	1	
FTEs	**0**	**0**	**0**	**0**	**1**	**0**

Brief Description:

Over 65% of high hazard potential dams in New Mexico are rated poor or unsatisfactory and do not meet the minimum safety requirements defined in the state rules and regulations. Many of those dams' owners lack the capacity to perform engineering analyses of their own to assess the deficiencies in their dams. As a result, the state does not have accurate estimates regarding the cost of the needed repair/rehabilitation actions. Even if dam owners were up to date on assessments and had accurate cost estimates it is clear that total need far exceeds both recent appropriations and the current capacity of available engineering and construction firms to perform the work.
Given this void of information regarding the potentially life-threatening dam condition deficiencies facing the state and resource constraints, the Dam Safety Bureau is endeavoring to modernizing its regulatory functions to fill this information gap by transitioning from traditional standard-based approach to the practice of risk-informed-decision-making approach in order to advance the state's assessment of need to inform prioritization of limited repair and rehabilitation resources. The Bureau had started this transition using a limited-term grant-funded position that began performing Bureau-initiated engineering analyses for high hazard potential dams. However, the funding for that position is going away. This requested expansion position will make it possible to continue.
(The expiring limited-term position was created with FEMA FY24 National Dam Safety Program Fall State Assistance Grant to the Dam Safety Bureau and was filled starting December 7, 2024. This FEMA grant was supposed to be the first of three subsequent grant cycles. However, the second and third cycles have not materialized due to lack of congressional authorization to FEMA.)

Legislative Change:

Session Law Citation:

Legal Settlement:

Case Number or Citation:

50 YWAP / Water Security Planning Act **Rank:** 0

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	1031.7	0.0	0.0	0.0	1031.7	0.0
REVENUE, TRANSFERS	**1031.7**	**0.0**	**0.0**	**0.0**	**1031.7**	**0.0**
Personal services and employee b	1031.7	0.0	0.0	0.0	1031.7	0.0
EXPENDITURES	**1031.7**	**0.0**	**0.0**	**0.0**	**1031.7**	**0.0**
Permanent	0	0	0	0	7	
FTEs	**0**	**0**	**0**	**0**	**7**	**0**

(Dollars in Thousands)

Brief Description:

This request will fund water planning, education and outreach called for by the Water Security Planning Act (WSPA) and the 50-Year Water Action Plan. New Mexico is facing unprecedented impacts of climate change to our landscape and water resources as evidenced by recent forest fires and post fire flooding events. By implementing the WSPA and the OSE/ISC-specific recommendations in the 50-Year Water Action Plan, this request will support communities across New Mexico in preparing for and responding to the impacts of climate change on our water resources.

Legislative Change:

Session Law Citation:

Legal Settlement:

Case Number or Citation:

Indian Water Rights Settlements Implementation **Rank:** 0

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	214.1	0.0	0.0	0.0	214.1	0.0
REVENUE, TRANSFERS	**214.1**	**0.0**	**0.0**	**0.0**	**214.1**	**0.0**
Personal services and employee b	214.1	0.0	0.0	0.0	214.1	0.0
EXPENDITURES	**214.1**	**0.0**	**0.0**	**0.0**	**214.1**	**0.0**
Permanent	0	0	0	0	2	
FTEs	**0**	**0**	**0**	**0**	**2**	**0**

Brief Description:

These Indian Water Rights Settlement (IWRS) positions will help develop, implement and track funding agreements as required by the State's commitments in these settlements, both through water master administration and project management, obligations that the State has entered into through Indian Water Rights Settlements. Recent Indian Water Rights Settlements entered into by the State require the state to perform new duties in administering water rights between Pueblo and non-Pueblo users. These settlements also provide funding for acequia and municipal water system projects. Water Resource Allocation Program (WRAP) staff need to perform these new water master duties, and Interstate Stream Commission (ISC) staff are needed to administer the new and sometimes complex funding agreements associated with these projects. Filling these positions will help the agency advance the implementation of these critical settlements and leverage federal funding as part of the Settlements.

Legislative Change:

Session Law Citation:

Legal Settlement:

Case Number or Citation:

Middle Rio Grande Water Rights Admin Staff **Rank:** 0

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	214.1	0.0	0.0	0.0	214.1	0.0

(Dollars in Thousands)

REVENUE, TRANSFERS	**214.1**	**0.0**	**0.0**	**0.0**	**214.1**	**0.0**
Personal services and employee b	214.1	0.0	0.0	0.0	214.1	0.0
EXPENDITURES	**214.1**	**0.0**	**0.0**	**0.0**	**214.1**	**0.0**
Permanent	0	0	0	0	2	
FTEs	**0**	**0**	**0**	**0**	**2**	**0**

Brief Description:

Due to the implementation of a Middle Rio Grande Metering Order and the declaration of a Middle Rio Grande Watermaster District being finalized and implemented the Water Resources Division will need to increase staffing levels in order to implement and administer the Middle Rio Grande Metering Order

Legislative Change: ___

Session Law Citation:

Legal Settlement: ___

Case Number or Citation:

Statewide Water Rights Administration and Enforcement

Rank: 0

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	988.2	0.0	0.0	0.0	988.2	0.0
REVENUE, TRANSFERS	**988.2**	**0.0**	**0.0**	**0.0**	**988.2**	**0.0**
Personal services and employee b	988.2	0.0	0.0	0.0	988.2	0.0
EXPENDITURES	**988.2**	**0.0**	**0.0**	**0.0**	**988.2**	**0.0**
Permanent	0	0	0	0	8	
FTEs	**0**	**0**	**0**	**0**	**8**	**0**

Brief Description:

Due to increased workloads created by prolonged drought conditions; the legalization of cannabis; and TX vs. NM; and the enactment of new enforcement legislation, the Water Rights Division (WRD) of the Office of the State Engineer's Water Resource Allocation Program is in need of increased staff resources to fully and properly meet its statewide water administration mandates.

Legislative Change: ___

Session Law Citation:

Legal Settlement: ___

Case Number or Citation:

BU	PCode	Department
55000	P551	000000

EB-2 Expansion Fiscal Summary

(Dollars in Thousands)

Dam Safety Engineer , FEMA funding not renewed **Rank:** 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
111	General Fund Transfers	167.6	0.0	0.0	0.0	167.6	0.0
REVENUE, TRANSFERS		**167.6**	**0.0**	**0.0**	**0.0**	**167.6**	**0.0**
200	Personal services and employee benefits	167.6	0.0	0.0	0.0	167.6	0.0
EXPENDITURES		**167.6**	**0.0**	**0.0**	**0.0**	**167.6**	**0.0**
810	Permanent	0	0	0	0	1	0.0
FTEs		**0**	**0**	**0**	**0**	**1**	**0**

50 YWAP / Water Security Planning Act **Rank:** 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
111	General Fund Transfers	1031.7	0.0	0.0	0.0	1031.7	0.0
REVENUE, TRANSFERS		**1031.7**	**0.0**	**0.0**	**0.0**	**1031.7**	**0.0**
200	Personal services and employee benefits	1031.7	0.0	0.0	0.0	1031.7	0.0
EXPENDITURES		**1031.7**	**0.0**	**0.0**	**0.0**	**1031.7**	**0.0**
810	Permanent	0	0	0	0	7	0.0
FTEs		**0**	**0**	**0**	**0**	**7**	**0**

Indian Water Rights Settlements Implementation **Rank:** 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
111	General Fund Transfers	214.1	0.0	0.0	0.0	214.1	0.0
REVENUE, TRANSFERS		**214.1**	**0.0**	**0.0**	**0.0**	**214.1**	**0.0**
200	Personal services and employee benefits	214.1	0.0	0.0	0.0	214.1	0.0
EXPENDITURES		**214.1**	**0.0**	**0.0**	**0.0**	**214.1**	**0.0**
810	Permanent	0	0	0	0	2	0.0
FTEs		**0**	**0**	**0**	**0**	**2**	**0**

Middle Rio Grande Water Rights Admin Staff **Rank:** 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
111	General Fund Transfers	214.1	0.0	0.0	0.0	214.1	0.0

(Dollars in Thousands)

REVENUE, TRANSFERS		**214.1**	**0.0**	**0.0**	**0.0**	**214.1**	**0.0**
200	Personal services and employee benefits	214.1	0.0	0.0	0.0	214.1	0.0
EXPENDITURES		**214.1**	**0.0**	**0.0**	**0.0**	**214.1**	**0.0**
810	Permanent	0	0	0	0	2	0.0
FTEs		**0**	**0**	**0**	**0**	**2**	**0**

Statewide Water Rights Administration and Enforcement

Rank: 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
111	General Fund Transfers	988.2	0.0	0.0	0.0	988.2	0.0
REVENUE, TRANSFERS		**988.2**	**0.0**	**0.0**	**0.0**	**988.2**	**0.0**
200	Personal services and employee benefits	988.2	0.0	0.0	0.0	988.2	0.0
EXPENDITURES		**988.2**	**0.0**	**0.0**	**0.0**	**988.2**	**0.0**
810	Permanent	0	0	0	0	8	0.0
FTEs		**0**	**0**	**0**	**0**	**8**	**0**

(Dollars in Thousands)

Dam Safety Engineer , FEMA funding not renewed Rank: 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
520300	Classified Perm Positions F/T	126.5	0.0	0.0	0.0	126.5	0.0
521100	Group Insurance Premium	6.1	0.0	0.0	0.0	6.1	0.0
521200	Retirement Contributions	24.1	0.0	0.0	0.0	24.1	0.0
521300	F I C A	7.8	0.0	0.0	0.0	7.8	0.0
521700	RHC Act Contributions	3.1	0.0	0.0	0.0	3.1	0.0
200	**Personal services and employee benefits**	**167.6**	**0.0**	**0.0**	**0.0**	**167.6**	**0.0**
Total for Dam Safety Engineer , FEMA funding not renewed		**167.6**	**0.0**	**0.0**	**0.0**	**167.6**	**0.0**

50 YWAP / Water Security Planning Act Rank: 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
520300	Classified Perm Positions F/T	774.5	0.0	0.0	0.0	774.5	0.0
521100	Group Insurance Premium	43.0	0.0	0.0	0.0	43.0	0.0
521200	Retirement Contributions	147.5	0.0	0.0	0.0	147.5	0.0
521300	F I C A	47.5	0.0	0.0	0.0	47.5	0.0
521700	RHC Act Contributions	19.2	0.0	0.0	0.0	19.2	0.0
200	**Personal services and employee benefits**	**1031.7**	**0.0**	**0.0**	**0.0**	**1031.7**	**0.0**
Total for 50 YWAP / Water Security Planning Act		**1031.7**	**0.0**	**0.0**	**0.0**	**1031.7**	**0.0**

Indian Water Rights Settlements Implementation Rank: 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
520300	Classified Perm Positions F/T	158.1	0.0	0.0	0.0	158.1	0.0
521100	Group Insurance Premium	12.3	0.0	0.0	0.0	12.3	0.0
521200	Retirement Contributions	30.1	0.0	0.0	0.0	30.1	0.0
521300	F I C A	9.7	0.0	0.0	0.0	9.7	0.0
521700	RHC Act Contributions	3.9	0.0	0.0	0.0	3.9	0.0
200	**Personal services and employee benefits**	**214.1**	**0.0**	**0.0**	**0.0**	**214.1**	**0.0**
Total for Indian Water Rights Settlements Implementation		**214.1**	**0.0**	**0.0**	**0.0**	**214.1**	**0.0**

Middle Rio Grande Water Rights Admin Staff Rank: 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation

BU	PCode	Department
55000	P551	000000

EB-3 Expansion Line Item Detail

(Dollars in Thousands)

520300	Classified Perm Positions F/T	158.1	0.0	0.0	0.0	158.1	0.0
521100	Group Insurance Premium	12.3	0.0	0.0	0.0	12.3	0.0
521200	Retirement Contributions	30.1	0.0	0.0	0.0	30.1	0.0
521300	F I C A	9.7	0.0	0.0	0.0	9.7	0.0
521700	RHC Act Contributions	3.9	0.0	0.0	0.0	3.9	0.0
200	**Personal services and employee benefits**	**214.1**	**0.0**	**0.0**	**0.0**	**214.1**	**0.0**
Total for Middle Rio Grande Water Rights Admin Staff		**214.1**	**0.0**	**0.0**	**0.0**	**214.1**	**0.0**

Statewide Water Rights Administration and Enforcement **Rank:** 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
520300	Classified Perm Positions F/T	735.6	0.0	0.0	0.0	735.6	0.0
521100	Group Insurance Premium	49.1	0.0	0.0	0.0	49.1	0.0
521200	Retirement Contributions	140.1	0.0	0.0	0.0	140.1	0.0
521300	F I C A	45.2	0.0	0.0	0.0	45.2	0.0
521700	RHC Act Contributions	18.2	0.0	0.0	0.0	18.2	0.0
200	**Personal services and employee benefits**	**988.2**	**0.0**	**0.0**	**0.0**	**988.2**	**0.0**
Total for Statewide Water Rights Administration and Enforcement		**988.2**	**0.0**	**0.0**	**0.0**	**988.2**	**0.0**

NEW MEXICO LEGISLATIVE FINANCE COMMITTEE

Legislating for Results:
Budget Development Tool

Agency Expansion Request Justification

New Mexico agencies making significant requests to expand agency budgets, other than workload changes, or for large special appropriations that appear to expand an agency's recurring budget are being asked to assess the proposals and report on their purpose, potential for success, and plans for implementation and accountability in accordance with the Budget Guidelines of the New Mexico Legislative Finance Committee (LFC) and LFC's Legislating for Results Framework.

1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

2 Needs Assessment

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

4 Research and Evidence

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

6 Fidelity Plan

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: Office of the State Engineer

Short Title of Request: Dam Safety Bureau Staff

Point of contact for follow-up information:

Name: Sushil Chaudhary

Title: Dam Safety Bureau Chief

Phone: 505-383-4134

E-Mail: Sushil.Chaudhary@ose.nm.gov

Is the requested expansion solely the result of a workload change? No

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

a. Why is this expansion needed and what problem or need it is attempting to address?

Over 65% of high hazard potential dams in New Mexico are rated poor or unsatisfactory and do not meet the minimum safety requirements defined in the state rules and regulations. Many of those dams' owners lack the capacity to perform engineering analyses of their own to assess the deficiencies in their dams. As a result, the state does not have accurate estimates regarding the cost of the needed repair/rehabilitation actions. Even if dam owners were up to date on assessments and had accurate cost estimates it is clear that total need far exceeds both recent appropriations and the current capacity of available engineering and construction firms to perform the work.

Given this void of information regarding the potentially life-threatening dam condition deficiencies facing the state and resource constraints, the Dam Safety Bureau is endeavoring to modernizing its regulatory functions to fill this information gap by transitioning from traditional standard-based approach to the practice of risk-informed-decision-making approach in order to advance the state's assessment of need to inform prioritization of limited repair and rehabilitation resources. The Bureau had started this transition using a limited-term grant-funded position that began performing Bureau-initiated engineering analyses for high hazard potential dams. However, the funding for that position is going away. This requested expansion position will make it possible to continue.

(The expiring limited-term position was created with FEMA FY24 National Dam Safety Program Fall State Assistance Grant to the Dam Safety Bureau and was filled starting December 7, 2024. This FEMA grant was supposed to be the first of three subsequent grant cycles. However, the second and third cycles have not materialized due to lack of congressional authorization to FEMA.)

b. How does this request differ from existing programming?

The FEMA grant established a new role that was not filled by existing staff at the bureau and has proven very valuable to dam safety efforts. However, that role is currently funded by a FEMA Grant, which runs out in FY27. The request is to fund this position with General Fund to the agency and make it a permanent position.

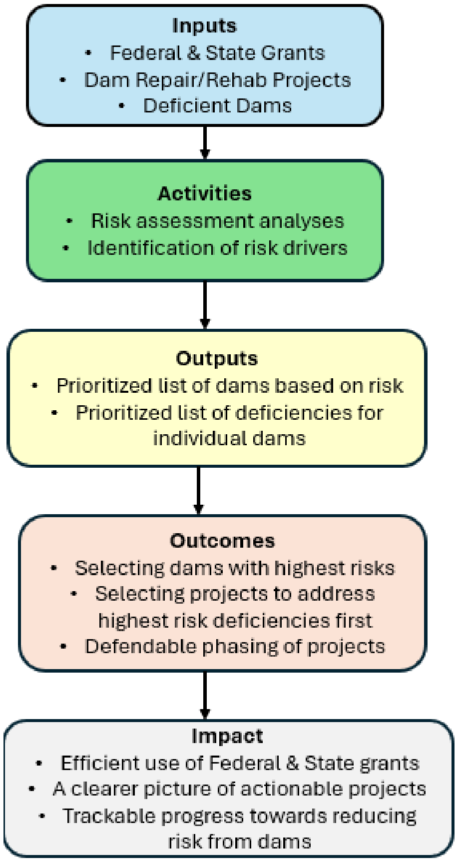
c. How does the requested program fit into the agency's strategic plan?

This expansion position would support the agency's efforts to assess risks posed by deficient high hazard potential dams to public (OSE Strategic Plan 5A). The OSE is striving to improve its prioritization of dam rehabilitation projects and this new role provides input to the agency and dam owners that helps the agency prioritize available funding on the highest risk deficiencies first and gradually work towards the deficiencies that pose lower risk.

d. Has the agency developed a logic model describing the agency's theory of change?

Yes

e. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.



2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

a. What is the extent of the problem to be addressed?

A lack of capacity for the Dam Safety Bureau to perform risk assessments of deficient dams. The current prioritization of deficient dams does not provide the granular details needed to scale the repair/rehab projects up or down to fit the available funds. Dam rehab projects are extremely expensive, and phasing of projects is necessary for gradual progress.

b. What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

As of FY26, there are 136 out of 205 high hazard potential dams under the state jurisdiction that are rated to be in poor or unsatisfactory condition. These dams are located statewide. A cost estimate provided by the Association of State Dam Safety Officials is $809,400,000 (in 2022 dollars) to rehabilitate all high hazard potential dams in New Mexico.

c. What percentage of the previously identified total statewide need does this request seek to address?

This request covers the entire needs of the Dam Safety Bureau to sustain the current efforts of assessing risks and prioritization of dam rehabilitation needs based on risk profile.

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

a. How much is the agency's request for FY28 and from what source is the agency requesting additional funding?

$167,600 is requested from the General Fund as expansion funding to provide for critically needed staffing for Dam Safety Bureau of the WRAP Program to fund one Lead Engineer expansion position.

b. Provide a list of specific activities that will be carried out if this request is granted.

- **Perform engineering analyses necessary for screening level risk assessment**
- **Gather and organize analyses results, supporting data, files for screening level risk assessment workshops**
- **Coordinate and organize results from the screening level risk assessments**
- **Update the assessments as more data becomes available**
- **Support functions necessary for prioritization of deficient dam rehabilitation projects**

c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

Lead Engineer (Job Code ENEP30): projected midpoint of $167.6k each

d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

Benefits far outweigh the cost, but it is not feasible to monetize the benefits.

e. Does the agency anticipate additional increases above the FY26 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

This is the full request for this effort.

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

a. As defined in New Mexico's Accountability in Government Act, specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

None

b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by clearinghouse databases.

Not Applicable

c. How will you evaluate the program to confirm your categorization?

We have existing performance measures to track progress. This request would make the bureau functions more efficient in terms of understanding the risks and tracking progress being made in managing the risks.

5. Implementation Plan

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

a. What are the training and startup requirements for the proposed program?

The agency is familiar with training requirements as it successfully carried out the process when it hired the current grant position incumbent. There would be no startup requirements.

b. Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

A similar position is currently filled and is funded by FEMA grant, but the new position would follow the necessary recruitment process.

6. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

a. Describe key components critical to the success of your program.

The recruitment process.

b. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable.

Performance measures are in place. Progress is being made. With this request, the bureau will be able to sustain the progress.

7. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

a. What measurable outcome is the agency trying to achieve with the requested expansion?

Risk assessments of publicly owned high hazard potentials dams, development of a list of deficient publicly owned high hazard potential dams prioritized based on risk assessment results.

b. Will the requested program affect any existing performance measures?

No

i. If yes, which performance measures will be affected?

N/A

c. What program outputs will the agency measure?

N/A

d. What efficiency metrics will the agency monitor?

N/A

e. Does the agency have baseline data for the proposed measures?

No

i. If yes, please provide baseline data.

N/A

ii. If no, when and how does the agency anticipate collecting baseline data?

N/A

f. How often will the agency collect and report on these performance metrics?

Agency will update the list of deficient dams and their prioritization as the risk assessment results become available and can share the updated list annually.

g. How do you plan to share the results of your program with the public and the Legislature?

Yes, the list of publicly owned and deficient high hazard potential dams is shared annually with the public and the legislature.

Legislating for Results:
Budget Development Tool

Agency Expansion Request Justification

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1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

2 Needs Assessment

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

4 Research and Evidence

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

6 Fidelity Plan

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: New Mexico Interstate Stream Commission

Short Title of Request: 50YWAP/ Water Security Planning Act Implementation

Point of contact for follow-up information:

Name: Hannah Riseley-White

Title: NMISC Director

Phone:505-695-5592

E-Mail:Hannah.Riseley-White@ose.nm.gov

Is the requested expansion solely the result of a workload change? No

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

a. Why is this expansion needed and what problem or need it is attempting to address?

This request will fund water planning, education and outreach called for by the Water Security Planning Act (WSPA) and the 50-Year Water Action Plan. New Mexico is facing unprecedented impacts of climate change to our landscape and water resources as evidenced by recent forest fires and post fire flooding events. By implementing the WSPA and the OSE/ISC-specific recommendations in the 50-Year Water Action Plan, this request will support communities across New Mexico in preparing for and responding to the impacts of climate change on our water resources.

b. How does this request differ from existing programming?

The OSE/ISC actions called for in the Water Security Planning Act and the 50-Year Water Action Plan are beyond what exist in current programming. Current programming has limited ability to engage the full range of stakeholders whose water resources are being impacted by climate change.

c. How does the requested program fit into the agency's strategic plan?

Yes.

d. Has the agency developed a logic model describing the agency's theory of change?

No

e. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.

2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

a. What is the extent of the problem to be addressed?

Current climate projections estimate that we will have at least 25-30% less water in our rivers and recharging our aquifers by 2070. Increasing water scarcity is impacting every part of the state and has the potential to disproportionately impact underserved populations. Effective planning, education and outreach can support communities in getting out in front of water resource challenges, identifying resources and implementing solutions in a pro-active and cost-effective manner.

As declining supplies increase the complexity and consequences of water-management decisions, the agency needs experienced technical leaders who can independently address complex hydrologic and regulatory issues, guide groundwater and surface-water modeling and monitoring, integrate emerging data and technologies, and translate technical information into defensible recommendations for agency leadership. These positions will also provide critical technical oversight and mentorship, ensuring that the state has the institutional expertise and capacity to make sound, science-based water management decisions.

b. What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

Within the last year, every community in New Mexico has been designated to be in moderate to exceptional drought by the U.S. Drought Monitor.

c. What percentage of the previously identified total statewide need does this request seek to address?

This request will fill a need that is not currently being met by existing programming and will allow OSE/ISC to conduct much broader outreach and engagement efforts.

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

a. How much is the agency's request for FY28 and from what source is the agency requesting additional funding?

$2,345,100 is requested from the General Fund as expansion funding to provide for critically needed staffing and resources. $2,045,100 of which would be in the 200 budget category for positions in WRAP and ISC and $300,000 in the 300 category for ISC-directed contractual services.

<u>FTE positions requested for WRAP:</u>
2 Lead Water Resources Professionals
3 Senior Water Resources Professionals
2 Water Resources Professionals

<u>FTE positions requested for ISC:</u>
2 Lead Water Resources Professionals
2 Senior Water Resources Professionals
3 Water Resources Professionals

b. Provide a list of specific activities that will be carried out if this request is granted.

Implementation of the Water Security Planning Act, including: standing up regional water planning councils as required by the act and rule; supporting future regions in drafting and implementing regional water plans; reporting annually to decision-makers on priority water project recommendations for state funding and the ongoing outcomes of the planning process; supporting communities in leveraging federal funding for water projects; ensuring effective coordination between state agencies related to regional water planning.

Implementation of the OSE/ISC-specific 50-Year Water Action Plan recommendations, including: developing a public education campaign; working with New Mexico's agricultural communities to develop and implement effective incentives for water conservation initiatives; supporting efforts to improve water storage and delivery systems; improving groundwater mapping and monitoring; supporting initiatives that protect and restore watersheds.
The work described above also supports further implementation of the Water Data Act and helps ensure agency data and information are readily available to water managers and the public.

c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

Lead Water Resources Professional (Job Code EWRP30):	**projected midpoint of $167.6k each**
Senior Water Resources Professional (Job Code EWRP26):	**projected midpoint of $146.6k each**
Water Resources Professional (Job Code EWRP23):	**projected midpoint of $128.3k each**

d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

Not Applicable. However, the cost of addressing water challenges on the front end is typically exponentially more cost effective than responding to water shortage emergencies and infrastructure failures. In addition, the Legislative Finance Committee has raised serious concerns about the lack

of prioritization of water-related projects for funding purposes. One of the key outcomes of this effort will be to have regional prioritization of water infrastructure needs, which will ensure that state funding for these projects is allocated to projects that will have the most impact.

e. Does the agency anticipate additional increases above the FY28 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

Unknown

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

a. As defined in New Mexico's Accountability in Government Act, specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

Research-Based

b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by clearinghouse databases.

Climate Change in New Mexico Over the Next 50 Years: Impacts on Water Resources, Bulletin 164, Nelia et al. New Mexico Bureau of Geology and Mineral Resources (chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://geoinfo.nmt.edu/publications/monographs/bulletins/downloads/164/B-164_web.pdf)

c. How will you evaluate the program to confirm your categorization?

Not Applicable

5. Implementation Plan

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

a. What are the training and startup requirements for the proposed program?

None.

b. Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

Implementation of the Water Security Planning Act (WSPA), including:

- **rules and guidelines called for by the act to be final in calendar year 2026**
- **standing up regional water planning councils throughout the state - 2-3 per year on a staggered and iterative basis starting in 2027 through 2032**
- **supporting future regions in drafting and implementing regional water plans - 2-3 per year on a staggered and iterative basis starting in 2029 and ongoing, including required updates every 5-10 years for each region**
- **reporting to decision-makers, including on regional priorities for water projects – beginning in 2026 and annually**
- **supporting communities in leveraging federal funding – by early 2026 and ongoing**
- **ensuring effective coordination between state agencies related to regional planning – 2025 and ongoing**

Implementation of the OSE/ISC-specific 50-Year Water Action Plan recommendations, including:

- **developing a public education campaign related to drought and water conservation – currently under development, to be implemented in 2026 -2030 (if funded)**
- **working with New Mexico's agricultural communities, NM Department of Agriculture and NM State University to implement water conservation programming, including grants for increasing on-farm efficiencies**
- **improving water storage and delivery systems – 2026 and ongoing to be supported by WSPA activities above**
- **improving groundwater mapping and monitoring – late 2025 and ongoing**
- **supporting initiatives that protect and restore watersheds – early 2026 and ongoing**

This request supports further implementation of the Water Data Act and ensures agency data and information are readily available to water managers and the public – late 2025 and ongoing.

Current ISC vacancy rate is 18.57% Recruitment will occur rapidly as there is a real need to get staffing in place or these new, large initiatives. So far, we have had significant interest in these positions.

6. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

a. Describe key components critical to the success of your program.

Accessibility of information; online and in person engagement opportunities; scientific foundation, including technical information translated and visualized for lay audiences; broad engagement across geographic, age and socio-economic groups.

b. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable.

Tracking will be developed for the items above.

7. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

a. What measurable outcome is the agency trying to achieve with the requested expansion?

Number of communities/participants engaged, plans and projects completed.

b. Will the requested program affect any existing performance measures?

No

i. If yes, which performance measures will be affected?

Click or tap here to enter text.

c. What program outputs will the agency measure?

Regional water plans completed and tracking of recommendations from plans implemented. The 50-Year Water Action Plan will track outcomes related to the return on investment goals outlined in each recommendation.

d. What efficiency metrics will the agency monitor?

Not Applicable

e. Does the agency have baseline data for the proposed measures?

No

i. If yes, please provide baseline data.

Click or tap here to enter text.

ii. If no, when and how does the agency anticipate collecting baseline data?

After each council completes its regional plan, NMISC will track implementation of PPPs.

f. How often will the agency collect and report on these performance metrics?

Annually

g. How do you plan to share the results of your program with the public and the Legislature?

WSPA requires annual reporting to the legislature on outcomes from the planning process. The 50-Year Water Action Plan will be reporting outcomes on an established dashboard(https://water-dashboard.nm.gov/) .

NEW MEXICO LEGISLATIVE FINANCE COMMITTEE

Legislating for Results:
Budget Development Tool

Agency Expansion Request Justification

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1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

2 Needs Assessment

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

4 Research and Evidence

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

6 Fidelity Plan

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: New Mexico Interstate Stream Commission

Short Title of Request: Indian Water Rights Settlement Implementation

Point of contact for follow-up information:

Name: Hannah Riseley-White

Title: NMISC Director

Phone:505-695-5592

E-Mail:Hannah.Riseley-White@ose.nm.gov

Is the requested expansion solely the result of a workload change? Choose an item.

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

a. Why is this expansion needed and what problem or need it is attempting to address?

These Indian Water Rights Settlement (IWRS) positions will help develop, implement and track funding agreements as required by the State's commitments in these settlements, both through water master administration and project management, obligations that the State has entered into through Indian Water Rights Settlements. Recent Indian Water Rights Settlements entered into by the State require the state to perform new duties in administering water rights between Pueblo and non-Pueblo users. These settlements also provide funding for acequia and municipal water system projects. Water Resource Allocation Program (WRAP) staff need to perform these new water master duties, and Interstate Stream Commission (ISC) staff are needed to administer the new and sometimes complex funding agreements associated with these projects. Filling these positions will help the agency advance the implementation of these critical settlements and leverage federal funding as part of the Settlements.

b. How does this request differ from existing programming?

With respect to additional water master duties: IWRS recognize and quantify tribal water rights. The settlements also typically contain detailed administration agreements between tribes and their neighbors. OSE field and technical staff oversee and administer these administration agreements – typically arrangements regarding who may divert water at what times. This oversight is labor intensive, because it requires constant monitoring to ensure that all parties are adhering to the new administration rules. In recognition of this complexity, the State has agreed in its new settlements to seek new funding to devote to dedicated water master staff to ensure that the settlement administration framework can be implemented as intended by the parties.

With respect to funding administration and oversight: The federal government provides funding to for tribal water development, and these obligations are accompanied by commitments from the state to fund projects for non-tribal entities (i.e., acequias, irrigation districts, mutual domestic water systems, etc.). In effect, the funding for these settlements is matching funding that unlocks significant quantities of federal funding, often in ratios as favorable as 90/10 federal/state.

The agency has developed and implemented funding agreements with hundreds of acequias throughout the state for many years. The agency provides oversight and ensures compliance with these agreements. These types of water infrastructure project agreements are equivalent to miniature versions of the much larger IWRS agreements. Each IWRS will likely have many associated non-tribal project agreements and will likely take significant staff time to ensure implementation and outcomes on the ground. The agency has the skills, but not the capacity to take on management of tens of additional agreements and projects.

c. How does the requested program fit into the agency's strategic plan?

These settlements are paramount to successful water rights adjudications throughout the state. Implementing and executing these agreements and projects is part of Action A4 of the Governor's 50-Year Water Action Plan.

d. Has the agency developed a logic model describing the agency's theory of change?

Yes

e. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.

2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

a. What is the extent of the problem to be addressed?

A lack of capacity to administer and track tens of contracts/agreements with different entities.

b. What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

These settlements affect water users in the Rio San Jose, Rio Jemez, and Rio Chama basins. Nearly 100 acequias in these areas are part of the new IWRS and will be direct recipients of funding that this position will help administer in addition to municipalities like Espanola. In addition, other settlements are in the early phases of negotiation, once settled they will require additional capacity to track and administer funding. The Pueblos in these stream systems, which have been subject to historic challenges in accessing and utilizing the water which they have rights to, will be able to exercise their water rights based on the settlement provisions administered by OSE water master staff.

c. What percentage of the previously identified total statewide need does this request seek to address?

Administration of Current Funding Agreements - 100%. More staff may be needed given upcoming Settlements.

Water Master staffing – 33%. There will be a need for approximately 4 additional water master staff in future years to oversee new administration requirements in addition to the positions requested this year.

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

a. How much is the agency's request for FY28 and from what source is the agency requesting additional funding?

$360,700 is requested from the General Fund as expansion funding for two IWRS water master staff to implement and help enforce the settlement agreements in WRAP and one position to assist with tracking and managing settlement funds and projects in ISC.

<u>FTE positions requested for WRAP:</u>
2 Associate Water Resources Professionals

<u>FTE positions requested for ISC:</u>
1 Senior Water Resources Professionals

b. Provide a list of specific activities that will be carried out if this request is granted.

- **Manage and track settlement funds (appropriations, transfers, reimbursements)**
- **Coordinate with project proponents on funding agreements**
- **Review and approve invoices and expenditures for compliance**
- **Report progress and expenditures to Legislature, DFA, and settlement parties**
- **Provide administrative support to ensure timely project completion**

- Click or tap here to enter text.

c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

Senior Water Resources Professional (Job Code EWRP26): projected midpoint of $146.6k each
Associate Water Resources Professionals (Job Code EWRP20): projected midpoint of $107.1k each

d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

The state will ultimately leverage federal funding in a ratio of 90/10 to state funding for these settlements.

e. Does the agency anticipate additional increases above the FY28 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

Yes. The state may need to hire additional full-time water master staff in future years, depending on finalization of numerous IWRS currently in negotiations.

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

a. As defined in New Mexico's Accountability in Government Act, specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

None

b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by clearinghouse databases.

Not Applicable

c. How will you evaluate the program to confirm your categorization?

By the number of non-tribal infrastructure agreements related to fully funded federal IWRS agreements.

5. Implementation Plan

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

a. What are the training and startup requirements for the proposed program?

With respect to water master administration, the state has been conducting water master oversight over water rights use in basins throughout the state for many years. The new settlements impose additional duties, but these additional duties are within the knowledge and experience of WRAP. Therefore, WRAP will be able to train the new hires just like any other new employee filling a vacancy within the program.

With respect to administering funding, the OSE/ISC has processes and procedure in place for acequia and irrigation ditch infrastructure funding. As noted above in Section 1b, the agency has the skills and experience with hundreds of acequia infrastructure agreements. We simply need additional staff to increase capacity. The start up and training already exist in-house.

b. Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

With respect to funding, every IWRS is dependent upon the federal government to fund. The state provides funding for associated non-tribal projects. Once an IWRS is finalized, the agency can move fairly quickly (typically within a year) to initiate agreements and pay invoices once proponents start construction. With additional funding, the agency will immediately recruit, hire, and train the additional staff. The ISC's current vacancy rate is 18.57%.

6. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

a. Describe key components critical to the success of your program.

The agency needs to recruit exceptional talent for the positions. This is the key component that will ensure success.

b. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable.

The agency has developed a flow chart of critical steps to ensure success of the process and projects. Adhering to the process will ensure all parts of the (quite complicated) process are successful.

7. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

a. What measurable outcome is the agency trying to achieve with the requested expansion?

1. agreements entered into (immediate)

2. projects built (future)

b. Will the requested program affect any existing performance measures?

No

i. If yes, which performance measures will be affected?

Not applicable

c. What program outputs will the agency measure?

Click or tap here to enter text.

d. What efficiency metrics will the agency monitor?

Number of agreements entered into with non-tribal entities for fully funded federal Indian Water Rights Settlements.

e. Does the agency have baseline data for the proposed measures?

No

i. If yes, please provide baseline data.

Not applicable

ii. If no, when and how does the agency anticipate collecting baseline data?

Within one year

f. How often will the agency collect and report on these performance metrics?

Semi-annually

g. How do you plan to share the results of your program with the public and the Legislature?

The agency will report out to the legislative and interim committees

Agency Expansion Request Justification

New Mexico agencies making significant requests to expand agency budgets, other than workload changes, or for large special appropriations that appear to expand an agency's recurring budget are being asked to assess the proposals and report on their purpose, potential for success, and plans for implementation and accountability in accordance with the Budget Guidelines of the New Mexico Legislative Finance Committee (LFC) and LFC's Legislating for Results Framework.

1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

2 Needs Assessment

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

4 Research and Evidence

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

6 Fidelity Plan

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: Office of the State Engineer

Short Title of Request: Middle Rio Grande Water Rights Administration

Point of contact for follow-up information:

Name: Xavier Rodriguez

Title: Water Resource Allocation Program Administrator

Phone: (505) 487-6800

E-Mail: xavier.rodriguez@ose.nm.gov

Is the requested expansion solely the result of a workload change? Yes

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

a. Why is this expansion needed and what problem or need it is attempting to address?

Due to the implementation of a Middle Rio Grande Metering Order and the declaration of a Middle Rio Grande Watermaster District being finalized and implemented the Water Resources Division will need to increase staffing levels in order to implement and administer the Middle Rio Grande Metering Order

b. How does this request differ from existing programming?

Currently the Middle Rio Grande corridor is not under a State Engineer Metering Order and has just recently declared the area a Watermaster District, creating duties and responsibilities that are not currently being carried out in the Middle Rio Grande corridor.

c. How does the requested program fit into the agency's strategic plan?

This is in addition to the Program's administration of water right duties in the Midde Rio Grande corridor, with a focus on the implementation, administration and compliance with the Middle Rio Grande Metering Order.

d. Has the agency developed a logic model describing the agency's theory of change?

No

e. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.

2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

a. What is the extent of the problem to be addressed?

The new order will require additional staff to initiate implementation.

b. What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

Implementing measurement and metering of both surface water and groundwater within the Middle Rio Grande will initially require two additional staff members within the region affected by the creation of a Water Master District and the issuance of a Metering Order.

c. What percentage of the previously identified total statewide need does this request seek to address?

This request will address all of the currently identified needs based on the resource requirements required for initial implementation of the Metering Order and associated administration in the Middle Rio Grande Water Master District.

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

a. How much is the agency's request for FY28 and from what source is the agency requesting additional funding?

$214,100 is requested from the General Fund as expansion funding to fund two water rights administration positions to assist with the additional workload associated with initial implementation of the Middle Rio Grande Metering Order.

b. Provide a list of specific activities that will be carried out if this request is granted.

The Office of the State Engineer would hire two Associate Water Resource Professionals.

c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

Associate Water Resources Professionals (Job Code EWRP20): projected midpoint of $107.1k each

d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

Click or tap here to enter text.

e. Does the agency anticipate additional increases above the FY26 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

As this program grows in the future more staff and funding will be needed to effectively administer and manage the Middle Rio Grande Water Master District and Metering Order.

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

a. As defined in New Mexico's Accountability in Government Act, specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

Evidence-Based : Based on research done through such method as aerial photography, there is evidence of unmeasured or unmetered groundwater being pumped in the Middle Rio Grande corridor. As drought persists in the State, the measure of water is becoming much more critical, necessitating the need for more staffing to ensure adequate administration in the Middle Rio Grande corridor compliance with interstate compacts.

b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by clearinghouse databases.

Through the use of Aerial-photography, electronic data analysis, and the Rio Grande Compact.

c. How will you evaluate the program to confirm your categorization?

The program will be evaluated annually with data produced in an annual Water Master Report for the Middle Rio Grande Water Master District. Groundwater and surface water data will be made available near real time for diversions within the Water Master District on the agency's NMWRRS water tracking system.

5. Implementation Plan

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

a. What are the training and startup requirements for the proposed program?

Training of new staff for this program will be required. The immediate and extensive water rights administration training will take place on the job at the duty station for each position and at other agency office around the state.

b. Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

If approved recruitment for positions would occur immediately. Current vacancy rates in the regions of most need are above 20%.

6. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

a. Describe key components critical to the success of your program.

High vacancy rates and prolonged drought make these positions critical to mission success. Many of these positions will play important roles in water rights administration and enforcement. Enforcement and measurement and metering of both surface water and groundwater has been brought to the forefront due to dwindling supplies. These positions will ensure that water resource administration and the protection of water rights within state is maintained at the appropriate levels to adequately serve New Mexicans and to meet interstate compact requirements.

b. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable.

Data collection involving both administrative functions and the measurement and metering of water resources are metrics that are monitored by executive staff within the agency and our external partners.

7. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

a. What measurable outcome is the agency trying to achieve with the requested expansion?

Adherence to agency issued water rights permit diversion amounts and compliance with settlements, compacts and other judicial determinations.

b. Will the requested program affect any existing performance measures?

Yes

i. If yes, which performance measures will be affected?

Legislative Finance Committee performance measures as well as compliance with existing permit conditions of approval.

c. What program outputs will the agency measure?

The agency will measure resource productivity and adherence to performance measures, settlements and interstate compacts.

d. What efficiency metrics will the agency monitor?

The agency will monitor efficiency metrics related to required administrative functions as well as all other requirements set forth in settlements, interstate compacts and judicial determinations.

e. Does the agency have baseline data for the proposed measures?

No

i. If yes, please provide baseline data.

Click or tap here to enter text.

ii. If no, when and how does the agency anticipate collecting baseline data?

Baseline data will continuously be collected and analyzed during the performance of the essential functions of the required resources.

f. How often will the agency collect and report on these performance metrics?

The performance metrics will be collected and compiled continuously and reported to the Legislative Finance Committee, as necessary to both internal and external partners and by way of the agency's annual report and Water Master District report.

g. How do you plan to share the results of your program with the public and the Legislature?

Results will be made available consistent with the reporting requirements outlined within the agency's annual report and Water Master report. Results are also made available to both our internal and external partners as required.

NEW MEXICO LEGISLATIVE FINANCE COMMITTEE

Legislating for Results: **Budget Development Tool**

Agency Expansion Request Justification

New Mexico agencies making significant requests to expand agency budgets, other than workload changes, or for large special appropriations that appear to expand an agency's recurring budget are being asked to assess the proposals and report on their purpose, potential for success, and plans for implementation and accountability in accordance with the Budget Guidelines of the New Mexico Legislative Finance Committee (LFC) and LFC's Legislating for Results Framework.

1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

2 Needs Assessment

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

4 Research and Evidence

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

6 Fidelity Plan

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: Office of the State Engineer

Short Title of Request: Statewide Water Rights Administration and Enforcement

Point of contact for follow-up information:

Name: Xavier Rodriguez

Title: Water Resource Allocation Program Administrator

Phone:(505) 487-6800

E-Mail: xavier.rodriguez@ose.nm.gov

Is the requested expansion solely the result of a workload change? Yes

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

a. Why is this expansion needed and what problem or need it is attempting to address?

Due to increased workloads created by prolonged drought conditions; the legalization of cannabis; and TX vs. NM; and the enactment of new enforcement legislation, the Water Rights Division (WRD) of the Office of the State Engineer's Water Resource Allocation Program is in need of increased staff resources to fully and properly meet its statewide water administration mandates.

b. How does this request differ from existing programming?

Prolonged drought conditions and new programs within other state agencies/legal obligations have led to increased resource requirements within the agency to effectively administer water rights throughout the state.

c. How does the requested program fit into the agency's strategic plan?

This is in addition to the Program's administration of water right duties currently in the Agency's strategic plan and legislative mandate, but the level of work has surpassed the level of the WRD's workforce.

d. Has the agency developed a logic model describing the agency's theory of change?

No

e. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.

2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

a. What is the extent of the problem to be addressed?

With the State facing a prolonged drought, and increasing demands on decreasing supplies of water, it is critical that efforts are made to increase the WRD's ability to administer water along with effectively enforce water regulations through the State ensuring compliance and conservation of water.

b. What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

The Water Rights Division supports the responsible administration of the state's water resources while serving the needs of communities, water users, and stakeholders across New Mexico. The increasingly prolonged drought and the strain on existing resources are affecting the agency's ability to effectively manage both groundwater and surface across the entire state.

c. What percentage of the previously identified total statewide need does this request seek to address?

This request will address all of the immediate needs that the agency has for addressing the lack of resources required to effectively manage the state's water resources.

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

a. How much is the agency's request for FY28 and from what source is the agency requesting additional funding?

$988,200 is requested from the General Fund as expansion funding to provide for 8 additional WRD positions to support water rights administration statewide:

FTE positions requested for WRD:
2 Senior Water Resources Professionals
2 Water Resources Professionals
3 Associate Water Resources Professionals
1 Financial Analysis Specialist

b. Provide a list of specific activities that will be carried out if this request is granted.

The Office of the State Engineer would hire and train 8 FTE throughout the seven district offices under the WRD.

c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

Senior Water Resources Professionals (Job Code EWRP26):	**projected midpoint of $146.6k each**
Water Resources Professionals (Job Code EWRP23):	**projected midpoint of $128.3k each**
Assoc. Water Resources Professionals (Job Code EWRP20):	**projected midpoint of $107.1k each**
Financial Analysis Specialist (Job Code B3031A):	**projected midpoint of $117.1k each**

d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

Click or tap here to enter text.

e. Does the agency anticipate additional increases above the FY26 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

As drought conditions persist and water administration and regulation become ever more critical, the costs to protect and conserve water throughout the State will continue to increase in the future.

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

a. As defined in [New Mexico's Accountability in Government Act], specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

Evidence-Based - Well documented drought conditions have placed tremendous strain on both ground water and surface water resources throughout the entire state. The increasingly important role that the agency plays in administering water resources across the state is well documented within the agency's annual reports which can be found on our website.

b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by [clearinghouse databases].

Through the national drought monitor and the use of the agency's annual reports.

c. How will you evaluate the program to confirm your categorization?

Reporting of specific performance measures is required by the Legislative Finance Committee in addition to adherence with agency requirements such as Interstate Compact Requirements, various water rights settlement requirements and judicially determined performance requirements. This is achieved through a mix of data collection, process tracking and outcome mapping.

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

d. What are the training and startup requirements for the proposed program?

Training of new staff for this program will be required. The immediate and extensive water rights administration training will take place on the job at the duty station for each position.

e. Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

If approved recruitment for positions would occur immediately. Current vacancy rates in the regions of most need are above 20%.

5. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

a. Describe key components critical to the success of your program.

High vacancy rates and prolonged drought make these positions critical to mission success. Many of these positions will play important roles in water rights administration and enforcement. Enforcement, in particular, has been brough to the forefront due to dwindling supplies of both groundwater and surface water. These positions will ensure that water resource administration and the protection of water rights within state is maintained at the appropriate levels to adequately serve New Mexicans.

b. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable.

Data collection involving both administrative functions and the measurement and metering of water resources are metrics that are monitored by the Legislature and executive staff within the agency.

6. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

a. What measurable outcome is the agency trying to achieve with the requested expansion?

Adherence to agency issued water rights permit diversion amounts and compliance with settlements, compacts and other judicial determinations.

b. Will the requested program affect any existing performance measures?

Yes

i. If yes, which performance measures will be affected?

Performance measures identified by the Legislative Finance Committee, water rights settlements and other judicial determinations will be positively affected by this program.

c. What program outputs will the agency measure?

The agency will measure resource productivity and adherence to performance measures, settlements and interstate compacts.

d. What efficiency metrics will the agency monitor?

The agency will monitor efficiency metrics related to required administrative functions as well as all other requirements set forth in settlements, interstate compacts and judicial determinations.

e. Does the agency have baseline data for the proposed measures?

No

i. If yes, please provide baseline data.

Click or tap here to enter text.

ii. If no, when and how does the agency anticipate collecting baseline data?

Baseline data will continuously be collected and analyzed during the performance of the essential functions of the required resources.

f. How often will the agency collect and report on these performance metrics?

The performance metrics will be collected and compiled continuously and reported to the Legislative Finance Committee, as necessary to both internal and external partners and by way of the agency's annual reports.

g. How do you plan to share the results of your program with the public and the Legislature?

Results will be made available consistent with the reporting requirements outlined within the agency's annual report and by the Legislature. Results are also made available to both our internal and external partners.

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
00000	520300	Classified Perm Positions F/T	0.0	0.0	1,562.25	0.0	0.0	0.0	0.0	0.0	
00000	521100	Group Insurance Premium	0.0	0.0	94.53	0.0	0.0	0.0	0.0	0.0	
00000	521200	Retirement Contributions	0.0	0.0	298.28	0.0	0.0	0.0	0.0	0.0	
00000	521300	F I C A	0.0	0.0	96.12	0.0	0.0	0.0	0.0	0.0	
00000	521700	RHC Act Contributions	0.0	0.0	38.76	0.0	0.0	0.0	0.0	0.0	
21400	520200	Term Positions	226.4	191.0	1.59	282.1	0.0	0.0	0.0	282.1	Salary for Term FTEs
21400	520300	Classified Perm Positions F/T	13,758.4	15,452.9	17,562.37	14,765.2	596.6	0.0	0.0	15,361.8	Salary for Perm FTEs
21400	520500	Temporary Positions F/T & P/T	196.4	191.0	3.72	191.0	0.0	0.0	0.0	191.0	Salary for Temp FTEs
21400	520600	Paid Unused Sick Leave	19.2	0.0	0	0.0	0.0	0.0	0.0	0.0	
21400	520700	Overtime & Other Premium Pay	151.9	0.0	0	0.0	0.0	0.0	0.0	0.0	
21400	520800	Annl & Comp Paid At Separation	45.5	0.0	0	0.0	0.0	0.0	0.0	0.0	
21400	521100	Group Insurance Premium	2,257.1	2,056.0	2,743.28	1,961.0	95.0	0.0	0.0	2,056.0	Insurance premium for FTEs
21400	521200	Retirement Contributions	2,726.5	2,760.0	3,271.36	2,633.9	122.1	0.0	0.0	2,756.0	Retirement
21400	521300	F I C A	1,059.8	923.0	1,080.88	883.7	39.3	0.0	0.0	923.0	FICA for FTEs
21400	521400	Workers' Comp Assessment Fee	1.7	0.0	0	0.0	0.0	0.0	0.0	0.0	
21400	521410	GSD Work Comp Insur Premium	78.4	93.4	0	97.7	0.0	0.0	0.0	97.7	4.3 GF increase GSD work comp insurance
21400	521600	Employee Liability Ins Premium	49.9	88.1	0	101.7	0.0	0.0	0.0	101.7	9.6 GF increase Employee Liability Premium
21400	521700	RHC Act Contributions	282.7	300.0	352.13	287.7	12.3	0.0	0.0	300.0	RHC Contributions for FTE
	200	**Personal services and employee benef**	**20,854.1**	**22,055.4**	**27,105.25**	**21,204.0**	**865.3**	**0.0**	**0.0**	**22,069.3**	
21400	542100	Employee I/S Mileage & Fares	0.4	0.5	0	0.5	0.0	0.0	0.0	0.5	In state mileage
21400	542200	Employee I/S Meals & Lodging	27.7	20.8	0	18.0	2.8	0.0	0.0	20.8	In state meals & lodging
21400	542500	Transp - Fuel & Oil	58.9	50.3	0	47.0	23.3	0.0	0.0	70.3	Fuel costs related to required field work and statewide travel.
21400	542600	Transp - Parts & Supplies	5.5	20.5	0	20.5	0.0	0.0	0.0	20.5	Vehicle repairs outside those covered by lease agreements.
21400	542800	State Transp Pool Charges	204.7	220.1	0	194.1	26.0	0.0	0.0	220.1	Annualized cost of 43 vehicle leases consisting of 4x4s, mid-sized sedans and SUVs. 4x4s are necessary for off-road driving conditions required by field work. See E-6B for detail listing.
21400	543200	Maint - Furn, Fixt, Equipment	0.5	0.2	0	0.2	0.0	0.0	0.0	0.2	Equipment maintenance not covered by lease agreements.
21400	543300	Maint - Buildings & Structures	0.0	0.8	0	0.8	0.0	0.0	0.0	0.8	Building maintenance not covered by lease agreements.

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
21400	543700	Maintenance Services	0.5	3.0	0	3.0	0.0	0.0	0.0	3.0	Building maintenance not covered by lease agreements.
21400	543710	Other Service - Non-Contractual	0.4	0.0	0	0.0	0.0	0.0	0.0	0.0	0
21400	543830	IT HW/SW Agreements	159.3	20.0	0	180.0	0.0	0.0	0.0	180.0	IT Software Agreements
21400	544000	Supply Inventory IT	136.2	28.4	0	150.2	8.2	0.0	0.0	158.4	Maintenance on IT for Printers and various computer equipment
21400	544100	Supplies-Office Supplies	21.9	13.7	0	13.4	10.3	0.0	0.0	23.7	Office supplies necessary for the operation of 7 District offices and 5 Bureaus across the state.
21400	544200	Supplies-Medical,Lab,Personal	0.1	0.0	0	0.0	0.0	0.0	0.0	0.0	0
21400	544400	Supplies-Field Supplies	5.0	9.0	0	4.0	5.0	0.0	0.0	9.0	Field supplies necessary to maintain and repair state-owned water measurement equipment, field supplies to support performance of field work including well inspections, monitoring of surface water diversions, surveying irrigated acreage, and investigating water use violations.
21400	544700	Supplies-Clothng,Unifrms,Linen	3.4	2.0	0	7.0	0.0	0.0	0.0	7.0	To purchase health and safety equipment and clothing to provide protection to staff when they are out in the field performing necessary duties.
21400	544800	Supplies-Education&Recreation	34.6	1.5	0	41.5	0.0	0.0	0.0	41.5	Educational supplies necessary for continuing and maitaining employee knowledge and skills.
21400	544900	Supplies-Inventory Exempt	17.6	8.0	0	23.0	0.0	0.0	0.0	23.0	Suplies necessary for the operation of 7 District offices and 5 Bureaus across the state i.e. replacement of broken furniture.
21400	545600	Reporting & Recording	0.1	0.0	0	0.0	0.0	0.0	0.0	0.0	0
21400	545700	ISD Services	136.5	160.8	0	193.0	0.0	0.0	0.0	193.0	32.2 increase / cost adjustment Amount requested is directed to be consistent with the published schedule.
21400	545710	DOIT HCM Assessment Fees	75.2	70.1	0	78.3	0.0	0.0	0.0	78.3	8.2 increase / cost adjustment Amount requested is directed to be consistent with the published schedule. 8.2 increase
21400	545900	Printing & Photo Services	10.4	2.0	0	12.0	0.0	0.0	0.0	12.0	Printing of outreach materials and business cards for staff.
21400	546100	Postage & Mail Services	57.1	2.1	0	30.6	1.5	0.0	0.0	32.1	Postage and courier services to meet need of 7 district offices statewide.
21400	546320	Utilities - Electricity	3.7	3.0	0	4.0	0.0	0.0	0.0	4.0	Electrical costs for Cimarron district office.

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
21400	546330	Utilities - Water	0.8	0.9	0	0.9	0.0	0.0	0.0	0.9	Water costs for Cimarron district office.
21400	546340	Utilities - Natural Gas	1.4	2.0	0	2.0	0.0	0.0	0.0	2.0	Natural gas costs for Cimarron district office.
21400	546400	Rent Of Land & Buildings	865.4	1,026.8	0	1,569.9	52.9	0.0	0.0	1,622.8	540.0 GF increase for office space needs statewide Leases for WRAP offices Statewide.
21400	546500	Rent Of Equipment	106.3	72.0	0	112.0	0.0	0.0	0.0	112.0	Existing lease agreements for printers/ copier/fax machines, postage meters and mailing equipment.
21400	546600	Communications	1.5	6.5	0	3.5	3.0	0.0	0.0	6.5	Comunications costs outside of those charged by DoIT.
21400	546610	DOIT Telecommunications	270.8	277.8	0	279.3	11.2	0.0	0.0	290.5	57.7 increase / cost adjustment Amount requested is directed to be consistent with the published schedule.
21400	546700	Subscriptions/Dues/License Fee	16.9	7.0	0	77.0	0.0	0.0	0.0	77.0	70.0 increase for ESRI renewal and renegotiation OLCL Online Computer Library subscription service, PE license renewal fees and professional association dues and NMSA updates.
21400	546800	Employee Training & Education	20.4	6.9	0	19.9	2.0	0.0	0.0	21.9	Training for agency employees including defensive driving, Engineer and professional development continuing education courses, general water administration training, technical software training, .
21400	546900	Advertising	0.1	0.0	0	0.0	0.0	0.0	0.0	0.0	0
21400	547900	Miscellaneous Expense	5.4	5.0	0	6.0	0.0	0.0	0.0	6.0	Water delivery services, airfare booking services fees.
21400	547999	Request to Pay Prior Year	5.4	0.0	0	0.0	0.0	0.0	0.0	0.0	0
21400	548300	Information Tech Equipment	0.0	5.0	0	5.0	0.0	0.0	0.0	5.0	modernization of IT equipment
21400	548900	Buildings & Structures	12.7	0.0	0	0.0	0.0	0.0	0.0	0.0	0
21400	549600	Employee O/S Mileage & Fares	5.2	3.2	0	5.2	0.0	0.0	0.0	5.2	Airfare and transportation costs to attend out-of-state dam safety training, water resource conferences, stream flow measuring training and GIS conferences/ training.

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
21400	549700	Employee O/S Meals & Lodging	13.4	3.0	0	13.0	0.0	0.0	0.0	13.0	Per Diem/Hotel and meals costs to attend out-of-state dam safety training, water resource conferences, stream flow measuring training and GIS conferences/ training.
	400	**Other**	**2,285.4**	**2,052.9**	**0**	**3,114.8**	**146.2**	**0.0**	**0.0**	**3,261.0**	
TOTAL EXPENSE			**23,139.5**	**24,108.3**		**24,318.8**	**1,011.5**	**0.0**	**0.0**	**25,330.3**	

State of New Mexico

Contract by PCode Detail

(Dollars in Thousands)

Fund	Account		#	Contract Purpose	Actuals	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
21400	535200	Professional Services	1000		67.5	0.0	0.0	0.0	0.0	0.0	
21400	535200	Professional Services	1001	for outsourcing professional services	0.0	320.5	0.0	0.0	0.0	320.5	for outsourcing professional services (including technical training, review and revise existing hydrology rules/ regs as needed, consultation, policy administration assistance and guideline development, public outreach on water conservation, dam breach analysis, inundation mapping, emergency action plans, various small professional service contracts, dam inspections and engineering reviews, on-call engineering services, on-call hydrological services, meteorological data service)
21400	535300	Other Services	1000		265.9	0.0	0.0	0.0	0.0	0.0	
21400	535300	Other Services	1002	for outsourcing technical services	0.0	106.0	0.0	0.0	0.0	106.0	for outsourcing technical services (including various contracts for groundwater level monitoring, Mesilla Basin monitoring program, Rio Gallinas streamflow measurements, library cataloging, data collection, alarm monitoring, data storage and management technology, document shredding services).
	TOTAL EXPENSE				**333.4**	**426.5**	**0.0**	**0.0**	**0.0**	**426.5**	

Performance Measures Summary

P551 **Water Resource Allocation**

Purpose: The purpose of the water resource allocation program is to provide for the efficient use of the available surface and underground waters of the state so any person can maintain their quality of life and to provide safety inspections of all nonfederal dams within the state so owners and operators of such dams can operate the dams safely.

Performance Measures:		2024-25 Actual	2025-26 Actual	2026-27 Budget	2027-28 Request	2027-28 Recomm
Output	Average number of unprotested new and pending applications processed per month	31	35	35	35	
Outcome	Number of transactions abstracted annually into the water administration technical engineering resource system database	25,015	12,731	25,000	15,000	
Outcome	Number of notices issued to owners of publicly owned dams notifying them of deficiencies or potential issues	54	64	45	45	
Explanatory	Number of unprotested and unaggrieved water right applications backlogged	296	340	N/A	N/A	

Agency: 55000 State Engineer

Program: P551 Water Resource Allocation

The purpose of the water resource allocation program is to provide for the efficient use of the available surface and underground waters of the state so any person can maintain their quality of life and to provide safety inspections of all nonfederal dams within the state so owners and operators of such dams can operate the dams safely.

Performance Measures:		2025-26 Target	2025-26 Result	Met Target	Year End Result Narrative
Explanatory	Number of unprotested and unaggrieved water right applications backlogged	N/A	340	N/A	WRAP staff continue to stay below 500 backlogged water right applications statewide. Quarters 3 and 4 are generally our busiest quarters of the year for incoming water right applications.
Outcome	Number of notices issued to owners of publicly owned dams notifying them of deficiencies or potential issues	45	64	Yes	The Dam Safety Bureau exceeded its target in FY26. These numbers reflect periodic inspections of the publicly-owned dams. Other notices issued to the dam owners, for example review of the planning and design documents, are not normally reflected as these correspondences are not tracked currently in a reportable manner.
Outcome	Number of transactions abstracted annually into the water administration technical engineering resource system database	15,000	12,731	No	WRAP is slightly behind this quarter in meeting its annual target of 15,000 but is still focused on meeting its goal. Staff continues to concentrate on abstracting efforts in the Roswell Artesian Basin (RAB) in southeastern New Mexico. RAB is one of the oldest declared basins in the state and involves multiple adjudications (surface water and groundwater), which adds layers of complexity to the RAB abstracting process. Many RAB water right files are also inter-related, which also adds complexity. Complex files take longer to processes. So, overall transaction volume will be muted during the abstracting of RAB.
Output	Average number of unprotested new and pending applications processed per month	35	35	Yes	Water Resource Allocation Program Staff met the target in QTR4

Agency Name: Office of the State Engineer
Program Name: Interstate Stream Commission Program

Business Unit: 55000
Program Code: P552

APPROPRIATION REQUEST
ORGANIZATION CHART
FORM S-2

INTERSTATE STREAM COMMISSION PROGRAM
Hannah Riseley-White, Director

- **ISC DEPUTY DIRECTOR**
  Michelle Hunter
- **ISC GENERAL COUNSEL**
  Lisa Henne
- **ACEQUIA BUREAU**
  Jonathan Martinez, Bureau Chief
- **COLORADO BUREAU**
  Ali Effati, Bureau Chief
- **LOWER RIO GRANDE BUREAU**
  Ryan Serrano, Bureau Chief
- **MIDDLE RIO GRANDE BUREAU**
  Sharon Wirth, Bureau Chief
- **PECOS BUREAU**
  Frank Scott, Bureau Chief
- **PLANNING BUREAU**
  Andrew Erdmann, Bureau Chief
- **ADMINISTRATIVE BUREAU**
  Jennifer Baca

Program Description:

The New Mexico Interstate Stream Commission (ISC), created by Chapter 25 of the 1935 legislative session laws, has broad powers to investigate, protect, conserve and develop New Mexico's waters, including both interstate and intrastate stream systems. The Commission has eight unsalaried members appointed by the Governor. The ninth member is the State Engineer, who under state law is the secretary of the Commission. The Commission Director is appointed by the Governor and reports to the State Engineer.

The Commission's authority under state law includes negotiating with other states to settle interstate stream controversies. New Mexico is a signatory to eight interstate stream compacts including the Colorado River; Upper Colorado River Basin; La Plata River; Animas-La Plata Project; Rio Grande; Costilla Creek; Pecos River; and Canadian River compacts. Commission staff is also responsible for compliance with provisions of the U.S. Supreme Court decisions governing water allocations on the Pecos, Canadian, Gila, San Francisco and San Simon Rivers in New Mexico. To support compact compliance, ISC staff analyzes, reviews and implements projects in New Mexico and evaluates potential water-supply impacts in New Mexico of projects in other states. Staff also analyze stream flow, reservoir level, snowpack and other data on stream systems in New Mexico and neighboring states.

The Commission is also authorized by statute to investigate and develop the water supplies of the state and to plan, conserve, protect and develop its public waters. Under the Water Security Planning Act of 2023, the Commission recently promulgated regional planning rules. The Commission is currently reviewing and editing guidelines for finalization in late 2026. Under the State Water Plan Act, the Commission was directed to coordinate with the Office of the State Engineer and the Water Trust Board to develop a comprehensive state water plan and to review and update it periodically.

The Commission is responsible for programming, budgeting, and directing expenditures from several sources: the Commission operating budget; the Ute Dam Construction Fund, (the Commission owns and operates Ute Dam and Reservoir); the Pecos Land Management Fund, created in 2005 to allow revenues generated from Commission-owned land to be used for land management and for maintenance and operation of augmentation wells; the Indian Water Rights Settlement Fund; legislative appropriations for implementing approved Indian Water Rights Settlements; special appropriations; and two state land trust funds: the Improvement of the Rio Grande Income Fund and the Irrigation Works Construction Fund. Both trust funds were created by the Ferguson Act of 1898, which set aside grants of trust land in what was then the Territory of New Mexico to generate income for specified beneficiaries.

Major Issues and Accomplishments:

Prolonged Drought: NM continues to face prolonged drought that is stressing water users and natural systems across the state and this year NM had the lowest snowpack in recorded history. The ISC continues to work closely with the OSE and partners state-wide to respond appropriately. Major accomplishments include: the delivery of water from the ISC's Pecos augmentation wellfields to increase supplies for Carlsbad Irrigation District farmers in compliance with the 2003 Pecos Settlement Agreement; collaboration with the OSE and leaders of the Rio Chama Acequia Association (RCAA) in the lower Rio Chama valley to provide San Juan Chama Project water offsets and implement shortage sharing on the Rio Chama; ongoing river operations management decisions with irrigation districts and federal agencies on the Rio Grande and Pecos Rivers; implementation of a cycle of Arizona Water Settlements Act funding for water infrastructure planning and design projects within the four county area of southwest NM; and significant coordination within NM and with neighboring states on the Colorado River to respond to increasing drought conditions including upcoming agreements that will determine reservoir operations at Lakes Powell and Mead beyond 2026 with implications for NM water users who rely heavily on Colorado River water supplies.

Compact Compliance: In all river basins in NM, ISC staff continue to be vigilant in monitoring conditions, ensuring compact compliance through delivery of river flows to neighboring states, and supporting NM's compact commissioners in complex interstate negotiations. Significant effort also continues to be needed to address water management challenges in the Lower Rio Grande. Additional efforts to improve NM's Rio Grande Compact deliveries into Elephant Butte Reservoir are and will be needed to reduce depletions in the Middle Rio Grande. Major accomplishments include: providing technical support to the Attorney General for the Supreme Court settlement; ongoing efforts to support efficient passage of water through the Middle Rio Grande to Elephant Butte Reservoir including coordination with the Middle Rio Grande Conservancy District; work on the Elephant Butte delta channel; working with Texas, Colorado and the U.S. to reach a settlement in Tx v. NM; engaging with the seven states of the Colorado River Basin (Arizona, California, Nevada, Colorado, NM, Utah and Wyoming) and US Department of the Interior to coordinate the operation of Lakes Powell and Mead; ongoing implementation of the 2003 Pecos Settlement Agreement, NM's strongest tool in support of Pecos River Compact compliance; and ongoing compliance with the Canadian River and Costilla Creek Compacts, including operation of Eagle Nest and Ute Reservoirs. Recently, ISC has leveraged over $70 million dollars in federal funding to support river channel work and compact compliance efforts in the Rio Grande.

Environmental Compliance: The ISC's efforts to support compliance with federal environmental regulations, particularly the Endangered Species Act, help protect NM's waters and water users. The unavoidable drying of the middle Rio Grande into portions of the Albuquerque reach are primarily a reflection of the lack of stored water for release and exceedingly dry conditions that resulted in very low natural flow conditions. Ongoing efforts across the state are needed, including coordination with water users and state and federal agencies. Recent major accomplishments in the Rio Grande include: direct involvement in meeting the terms of the 2016 Middle Rio Grande Water Operations Biological Opinion; ongoing participation in the Middle Rio Grande Collaborative Program; supporting a San Acacia diversion dam fish passage pilot project; involvement in daily river and reservoir operational decisions; development, implementation, monitoring, and reporting on modified river and reservoir operations for the silvery minnow; conducting large scale habitat restoration in the Rio Rancho bosque and Sevilleta bosque; peer review assessments on collected biological data and river monitoring and fish rescue operations; and management of the Los Lunas Silvery Minnow Refugium. Recent major accomplishments in the Pecos and other rivers include support for Carlsbad Project compliance with the 2016 Biological Opinion for the Pecos bluntnose shiner, including operation of the Vaughan Conservation Pipeline; efforts in support of compliance with the 2005 Arkansas River Shiner Management Plan on the Canadian River; ongoing support for the San Juan Basin Recovery Implementation Program; and pursuing, with the help of new, high level technical staff, additional water rights purchases and leases for the Strategic Water Reserve . By hiring a new technical staff person in February, to engage in and track the funds that have increased our capacity to engage in seeking and purchasing additional water rights to help with compact deliveries and threatened and endangered species.

Water Planning: Climate change, including observed increases in temperature over the last four decades and projections for continued and further increasing temperatures, require the state to urgently plan for our water future which is likely to be much drier. Given unanimous passage of the Water Security Planning Act in 2023, the gathered input from key stakeholders and the public at large for the rules and guidelines required by the Act. The ISC's work is laying the foundation for regional water planning efforts across the state and assist communities in crafting and implementing solutions to increasing water scarcity. In addition, the 50-Year Water Action Plan released in January 2024 calls for actions needed to ensure continuing economic development while the water needs of all New Mexicans are met. Major accomplishments include: developing partnerships with expertise from across the state including the NM Bureau of Geology and Mineral Resources, which convened a climate expert team and published a peer reviewed report of the expected continued impacts from climate change over the next fifty years; partnering with numerous parties to coordinate public engagement related to adaptation strategies and policy recommendations; and ongoing engagement with NM's Tribes, Pueblos and Nations, including coordination with the Indian Affairs Department. The ISC is taking the lead, in coordination with other state agencies, in implementation of the 50-Year Water Action Plan action 1A related to water education at all levels.

Acequias Support – NM's vital and historic acequia infrastructure depends on ongoing support from the ISC. The ISC's Infrastructure Program provides state funds to acequias and community ditches for engineering services and construction of their projects. Major accomplishments include: continued funding and oversight of numerous acequia projects and initiatives each year through the Acequia and Community Ditch Infrastructure Fund, capital appropriations, and other sources.

Indian Water Rights Settlements - ISC staff are involved in the implementation of NM's approved Indian water rights settlements and support for other ongoing settlement negotiations currently in process. The Northwestern NM Rural Water Projects Act of 2009 authorized and appropriated funding for the Navajo-Gallup Water Supply Project to bring renewable water supplies to the southern portion of the Jicarilla Apache Nation, the Navajo communities in northwest NM, and the City of Gallup as part of the settlement of the Navajo Nation's water rights claims to the waters of the San Juan River basin in NM. ISC is also involved in construction of the Pojoaque Regional Water System, authorized under the Aamodt Litigation Settlement Act in P.L. No. 111-291, to settle the water rights claims of Nambe, Pojoaque, Tesuque (NPT) and San Ildefonso in the NPT basin, as well as supporting ongoing negotiations related to new settlements, which could in total leverage

Overview of Request:

The ISC is proposing to replace trust fund revenue reliance with general fund for this program in order to return the trust funds to their statutory purposes.

The significant programmatic changes proposed by ISC are:

* The 50 Year Water Action Plan expansion is for 1,013.4 would support addition of 7 new water resource FTEs
* The Indian Water Rights Settlement expansion is for 146.6 to fund 1 new technical position
* The Dedicated Colorado River Technical resource expansion is for 146.6 to fund 1 new technical position
* The Lower Rio Grande Settlement expansion is for 293.2 to fund 2 additional senior level technical positions to help guide implementation efforts.

Programmatic Changes:

All significant programmatic changes are contained within the expansion requests:
* Expanded 50 Year Water Action Plan activities
* Expanded Indian Water Rights Settlement activities
* Dedicated Colorado River Technical resource staffing
* Lower Rio Grande Settlement activity expansion

Base Budget Justification:

* ISC is requesting four base increases to cover: GSD rates, GIS Software License increases, increased administrative costs associated with program growth, and its growing office space needs in Albuquerque and Las Cruces.
* ISC is also increasing the budgeting of its Arizona Water Settlement Act funding to support 1 new position and for outreach and implementation along with admin and travel costs.
* The program is requesting two budget category shifts. 150.0 Strategic Water Reserve budget from the 400 category into the 300 category to cover professional services. ISC is also requesting to move 50.0 in budget from the 300s into the 400s due to a change in expenditure category for software licensing agreements implemented by FCD in previous fiscal years.

Interstate Stream Compact Compliance and

BU	PCode	Department
55000	P552	000000

State of New Mexico

S-8 Financial Summary

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
REVENUE								
111	General Fund Transfers	6,136.9	6,402.5	6,725.3	0.0	13,832.9	1,899.8	15,732.7
112	Other Transfers	9,268.3	9,268.3	9,279.9	0.0	3,498.3	0.0	3,498.3
120	Federal Revenues	0.0	0.0	0.0	0.0	0.0	0.0	0.0
130	Other Revenues	167.6	169.0	183.6	0.0	188.6	0.0	188.6
150	Fund Balance	751.2	751.2	751.2	0.0	751.2	0.0	751.2
REVENUE, TRANSFERS		**16,324.0**	**16,591.0**	**16,940.0**	**0.0**	**18,271.0**	**1,899.8**	**20,170.8**
REVENUE		**16,324.0**	**16,591.0**	**16,940.0**	**0.0**	**18,271.0**	**1,899.8**	**20,170.8**
EXPENSE								
200	Personal services and employee benefits	8,283.7	7,929.3	8,885.7	9,899.1	9,211.0	1,599.8	10,810.8
300	Contractual services	5,263.7	3,182.4	5,263.7	0.0	5,498.7	300.0	5,798.7
400	Other	2,776.6	3,660.4	2,790.6	0.0	3,561.3	0.0	3,561.3
EXPENDITURES		**16,324.0**	**14,772.1**	**16,940.0**	**9,899.11**	**18,271.0**	**1,899.8**	**20,170.8**
500	Other financing uses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
OTHER FINANCING USES		**0.0**	**0.0**	**0.0**	**0**	**0.0**	**0.0**	**0.0**
EXPENSE		**16,324.0**	**14,772.1**	**16,940.0**	**9,899.11**	**18,271.0**	**1,899.8**	**20,170.8**
FTE POSITIONS								
810	Permanent	61.00	56.00	61.00	71.00	62.00	11.00	73.00
820	Term	10.00	0.00	10.00	0.00	13.00	0.00	13.00
830	Temporary	2.00	0.00	7.00	0.00	6.00	0.00	6.00
FTEs		**73.00**	**56.00**	**78.00**	**71.00**	**81.00**	**11.00**	**92.00**
FTE POSITIONS		**73.00**	**56.00**	**78.00**	**71.00**	**81.00**	**11.00**	**92.00**

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
499105	General Fd. Appropriation	6,136.9	6,402.5	6,725.3	0.0	13,832.9	1,899.8	15,732.7
111	**General Fund Transfers**	**6,136.9**	**6,402.5**	**6,725.3**	**0.0**	**13,832.9**	**1,899.8**	**15,732.7**
425909	Other Services - Interagency	0.0	0.0	0.0	0.0	0.0	0.0	0.0
499905	Other Financing Sources	182.3	182.3	182.3	0.0	182.3	0.0	182.3
499906	OFS - INTRA-Agency	9,086.0	9,086.0	9,097.6	0.0	3,316.0	0.0	3,316.0
112	**Other Transfers**	**9,268.3**	**9,268.3**	**9,279.9**	**0.0**	**3,498.3**	**0.0**	**3,498.3**
451903	Federal Direct - Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0
452003	Federal - Indirect	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
120	**Federal Revenues**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
441101	Interest On Bank Deposits	0.0	1.4	0.0	0.0	0.0	0.0	0.0
441201	Interest On Investments	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
475101	Other Gifts & Grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0
496901	Miscellaneous Revenue	167.6	167.6	183.6	0.0	188.6	0.0	188.6
130	**Other Revenues**	**167.6**	**169.0**	**183.6**	**0.0**	**188.6**	**0.0**	**188.6**
325900	Restricted FB - Gov	751.2	751.2	751.2	0.0	751.2	0.0	751.2
150	**Fund Balance**	**751.2**	**751.2**	**751.2**	**0.0**	**751.2**	**0.0**	**751.2**
TOTAL REVENUE		**16,324.0**	**16,591.0**	**16,940.0**	**0.0**	**18,271.0**	**1,899.8**	**20,170.8**
520100	Exempt Perm Positions P/T&F/T	240.6	308.8	474.3	318.0	350.0	0.0	350.0
520200	Term Positions	927.4	731.1	5.1	3.8	1,239.8	0.0	1,239.8
520300	Classified Perm Positions F/T	5,265.2	4,362.9	6,058.4	6,717.5	5,047.6	1,200.2	6,247.8
520500	Temporary Positions F/T & P/T	0.0	74.2	78.3	0.7	226.2	0.0	226.2
520600	Paid Unused Sick Leave	0.0	11.4	0.0	0.0	0.0	0.0	0.0
520700	Overtime & Other Premium Pay	0.0	50.1	0.0	0.0	0.0	0.0	0.0
520800	Annl & Comp Paid At Separation	0.0	36.5	0.0	0.0	0.0	0.0	0.0
521100	Group Insurance Premium	307.0	725.5	583.9	931.4	530.5	67.5	598.0
521200	Retirement Contributions	968.4	1,058.3	1,060.5	1,348.3	1,224.9	228.7	1,453.6
521300	F I C A	400.1	416.1	435.3	433.1	404.6	73.8	478.4
521400	Workers' Comp Assessment Fee	0.0	0.6	0.0	0.0	0.0	0.0	0.0
521410	GSD Work Comp Insur Premium	26.7	26.7	33.6	0.0	35.2	0.0	35.2
521600	Employee Liability Ins Premium	17.1	17.1	32.7	0.0	36.7	0.0	36.7
521700	RHC Act Contributions	131.2	109.9	123.6	146.3	115.5	29.6	145.1
200	**Personal services and employee benef**	**8,283.7**	**7,929.3**	**8,885.7**	**9,899.1**	**9,211.0**	**1,599.8**	**10,810.8**
535200	Professional Services	2,890.0	2,030.1	5,263.7	0.0	3,120.0	300.0	3,420.0

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request Base	FY 2028 Agency Request Expansion	FY 2028 Agency Request Total
535300	Other Services	2,373.7	987.8	0.0	0.0	2,378.7	0.0	2,378.7
535309	Other Services - Interagency	0.0	40.0	0.0	0.0	0.0	0.0	0.0
535500	Attorney Services	0.0	90.2	0.0	0.0	0.0	0.0	0.0
535600	IT Services	0.0	34.2	0.0	0.0	0.0	0.0	0.0
300	**Contractual services**	**5,263.7**	**3,182.4**	**5,263.7**	**0.0**	**5,498.7**	**300.0**	**5,798.7**
542100	Employee I/S Mileage & Fares	2.5	1.5	2.5	0.0	2.5	0.0	2.5
542200	Employee I/S Meals & Lodging	5.0	5.5	5.0	0.0	10.0	0.0	10.0
542300	Brd & Comm Mbr Meals & Lodging	2.5	4.0	2.5	0.0	5.5	0.0	5.5
542310	Brd & Comm Mbr Mileage & Fares	3.0	3.1	3.0	0.0	4.0	0.0	4.0
542500	Transp - Fuel & Oil	16.9	16.3	15.8	0.0	20.8	0.0	20.8
542600	Transp - Parts & Supplies	0.5	4.1	0.5	0.0	5.4	0.0	5.4
542800	State Transp Pool Charges	46.7	48.6	43.6	0.0	74.3	0.0	74.3
543100	Maint - Grounds & Roadways	30.0	27.5	30.0	0.0	30.0	0.0	30.0
543200	Maint - Furn, Fixt, Equipment	171.9	150.8	175.8	0.0	216.0	0.0	216.0
543300	Maint - Buildings & Structures	30.0	2.7	30.0	0.0	30.0	0.0	30.0
543500	Maint - Supplies	0.5	0.0	0.5	0.0	0.5	0.0	0.5
543700	Maintenance Services	0.2	0.0	0.2	0.0	0.2	0.0	0.2
543820	Maintenance IT	5.2	0.0	5.2	0.0	5.2	0.0	5.2
543830	IT HW/SW Agreements	46.0	38.4	46.0	0.0	126.3	0.0	126.3
544000	Supply Inventory IT	29.0	14.9	29.0	0.0	129.0	0.0	129.0
544100	Supplies-Office Supplies	8.5	6.2	8.5	0.0	8.5	0.0	8.5
544200	Supplies-Medical,Lab,Personal	2.0	0.3	2.0	0.0	2.0	0.0	2.0
544300	Supplies-Drugs	0.0	0.0	0.0	0.0	0.0	0.0	0.0
544400	Supplies-Field Supplies	21.0	26.0	21.0	0.0	26.0	0.0	26.0
544700	Supplies-Clothng,Unifrms,Linen	6.0	0.2	6.0	0.0	12.0	0.0	12.0
544800	Supplies-Education&Recreation	0.5	0.0	0.5	0.0	1.0	0.0	1.0
544900	Supplies-Inventory Exempt	15.0	7.6	15.0	0.0	15.0	0.0	15.0
545600	Reporting & Recording	10.0	15.8	10.0	0.0	17.0	0.0	17.0
545700	ISD Services	40.4	42.8	60.0	0.0	69.6	0.0	69.6
545710	DOIT HCM Assessment Fees	23.7	25.6	30.0	0.0	28.2	0.0	28.2
545900	Printing & Photo Services	4.0	3.6	4.0	0.0	4.0	0.0	4.0
546100	Postage & Mail Services	0.5	1.3	0.5	0.0	1.5	0.0	1.5
546310	Utilities - Sewer/Garbage	31.8	9.2	27.2	0.0	32.7	0.0	32.7
546320	Utilities - Electricity	121.8	98.1	121.8	0.0	128.6	0.0	128.6

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
546330	Utilities - Water	1.0	0.0	1.0	0.0	2.0	0.0	2.0
546340	Utilities - Natural Gas	1.0	0.0	1.0	0.0	2.0	0.0	2.0
546350	Utilities - Propane	1.5	1.4	1.5	0.0	1.5	0.0	1.5
546400	Rent Of Land & Buildings	557.6	288.1	557.6	0.0	767.6	0.0	767.6
546409	Rent Expense - Interagency	3.0	1.2	3.0	0.0	6.0	0.0	6.0
546500	Rent Of Equipment	25.0	25.1	25.0	0.0	34.0	0.0	34.0
546600	Communications	1.5	1.6	1.5	0.0	1.5	0.0	1.5
546610	DOIT Telecommunications	85.0	91.4	99.3	0.0	104.7	0.0	104.7
546700	Subscriptions/Dues/License Fee	220.0	252.2	220.0	0.0	320.0	0.0	320.0
546709	Subscription & Due Interagency	0.0	0.2	0.0	0.0	0.0	0.0	0.0
546800	Employee Training & Education	5.2	6.4	5.2	0.0	50.2	0.0	50.2
546900	Advertising	0.5	0.1	0.5	0.0	0.5	0.0	0.5
547400	Grants To Local Governments	0.0	1,283.6	0.0	0.0	0.0	0.0	0.0
547900	Miscellaneous Expense	942.4	953.3	920.9	0.0	962.0	0.0	962.0
547999	Request to Pay Prior Year	0.0	201.0	0.0	0.0	0.0	0.0	0.0
548300	Information Tech Equipment	1.9	0.0	2.1	0.0	2.1	0.0	2.1
548400	Other Equipment	30.0	0.0	30.0	0.0	30.0	0.0	30.0
548900	Buildings & Structures	221.9	0.0	221.9	0.0	267.4	0.0	267.4
549600	Employee O/S Mileage & Fares	3.0	0.0	3.0	0.0	3.0	0.0	3.0
549700	Employee O/S Meals & Lodging	1.0	0.5	1.0	0.0	1.0	0.0	1.0
400	**Other**	**2,776.6**	**3,660.4**	**2,790.6**	**0.0**	**3,561.3**	**0.0**	**3,561.3**
555100	Other Financing Uses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
555106	OFU - INTRA-Agency	0.0	0.0	0.0	0.0	0.0	0.0	0.0
500	**Other financing uses**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
TOTAL EXPENSE		**16,324.0**	**14,772.1**	**16,940.0**	**9,899.1**	**18,271.0**	**1,899.8**	**20,170.8**
810	Permanent	61.00	56.00	61.00	71.00	62.00	11.00	73.00
810	**Permanent**	**61.00**	**56.00**	**61.00**	**71.00**	**62.00**	**11.00**	**73.00**
820	Term	10.00	0.00	10.00	0.00	13.00	0.00	13.00
820	**Term**	**10.00**	**0.00**	**10.00**	**0.00**	**13.00**	**0.00**	**13.00**
830	Temporary	2.00	0.00	7.00	0.00	6.00	0.00	6.00
830	**Temporary**	**2.00**	**0.00**	**7.00**	**0.00**	**6.00**	**0.00**	**6.00**
TOTAL FTE POSITIONS		**73.00**	**56.00**	**78.00**	**71.00**	**81.00**	**11.00**	**92.00**

REV EXP COMPARISON

(Dollars in Thousands)

55000 - State Engineer

P552 - Interstate Stream Compact Compliance and Water Development

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES Totals	**15,732.7**	**939.8**	**3,498.3**	**0.0**	**20,170.8**
Personal services and employee benefits	9,852.2	136.0	822.6	0.0	10,810.8
Contractual services	3,337.1	190.0	2,271.6	0.0	5,798.7
Other	2,543.4	613.8	404.1	0.0	3,561.3
USES Total:	**15,732.7**	**939.8**	**3,498.3**	**0.0**	**20,170.8**
Net:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

(Dollars in Thousands)

50YWAP / WAP WSPA Implement **Rank:** 0

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	1313.4	0.0	0.0	0.0	1313.4	0.0
REVENUE, TRANSFERS	**1313.4**	**0.0**	**0.0**	**0.0**	**1313.4**	**0.0**
Personal services and employee b	1013.4	0.0	0.0	0.0	1013.4	0.0
Contractual services	300.0	0.0	0.0	0.0	300.0	0.0
EXPENDITURES	**1313.4**	**0.0**	**0.0**	**0.0**	**1313.4**	**0.0**
Permanent	0	0	0	0	7	
FTEs	**0**	**0**	**0**	**0**	**7**	**0**

Brief Description:

This request will fund water planning, education and outreach called for by the Water Security Planning Act (WSPA) and the 50-Year Water Action Plan. New Mexico is facing unprecedented impacts of climate change to our landscape and water resources as evidenced by recent forest fires and post fire flooding events. By implementing the WSPA and the OSE/ISC-specific recommendations in the 50-Year Water Action Plan, this request will support communities across New Mexico in preparing for and responding to the impacts of climate change on our water resources.

Legislative Change: ___

Session Law Citation:

Legal Settlement: ___

Case Number or Citation:

Indian Water Rights Settlement Implementation **Rank:** 0

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	146.6	0.0	0.0	0.0	146.6	0.0
REVENUE, TRANSFERS	**146.6**	**0.0**	**0.0**	**0.0**	**146.6**	**0.0**
Personal services and employee b	146.6	0.0	0.0	0.0	146.6	0.0
EXPENDITURES	**146.6**	**0.0**	**0.0**	**0.0**	**146.6**	**0.0**
Permanent	0	0	0	0	1	
FTEs	**0**	**0**	**0**	**0**	**1**	**0**

Brief Description:

(Dollars in Thousands)

These Indian Water Rights Settlement (IWRS) positions will help develop, implement and track funding agreements as required by the State's commitments in these settlements, both through water master administration and project management, obligations that the State has entered into through Indian Water Rights Settlements. Recent Indian Water Rights Settlements entered into by the State require the state to perform new duties in administering water rights between Pueblo and non-Pueblo users. These settlements also provide funding for acequia and municipal water system projects. Water Resource Allocation Program (WRAP) staff need to perform these new water master duties, and Interstate Stream Commission (ISC) staff are needed to administer the new and sometimes complex funding agreements associated with these projects. Filling these positions will help the agency advance the implementation of these critical settlements and leverage federal funding as part of the Settlements.

Legislative Change:

Session Law Citation:

Legal Settlement:

Case Number or Citation:

Colorado River Technical Staff **Rank:** 0

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	146.6	0.0	0.0	0.0	146.6	0.0
REVENUE, TRANSFERS	**146.6**	**0.0**	**0.0**	**0.0**	**146.6**	**0.0**
Personal services and employee b	146.6	0.0	0.0	0.0	146.6	0.0
EXPENDITURES	**146.6**	**0.0**	**0.0**	**0.0**	**146.6**	**0.0**
Permanent	0	0	0	0	1	
FTEs	**0**	**0**	**0**	**0**	**1**	**0**

Brief Description:

Increasing shortages in the Colorado River Basin are affecting all seven states that rely on the Colorado River. These challenges require engagement and resolution across the state and with the U.S. Department of the Interior in order to avoid costly and lengthy litigation. Additional highly skilled technical staff is required to engage fully in those negotiations and protect New Mexico's interests in Colorado River water – which serves water users in the San Juan and Rio Grande basins.

Legislative Change:

Session Law Citation:

Legal Settlement:

Case Number or Citation:

Lower Rio Grande Settlement Implementation **Rank:** 0

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	293.2	0.0	0.0	0.0	293.2	0.0
REVENUE, TRANSFERS	**293.2**	**0.0**	**0.0**	**0.0**	**293.2**	**0.0**

BU	PCode	Department
55000	P552	000000

EB-1 Expansion Justifications

(Dollars in Thousands)

Personal services and employee b	293.2	0.0	0.0	0.0	293.2	0.0
EXPENDITURES	**293.2**	**0.0**	**0.0**	**0.0**	**293.2**	**0.0**
Permanent	0	0	0	0	2	
FTEs	**0**	**0**	**0**	**0**	**2**	**0**

Brief Description:

The Rio Grande Basin has become a critical focus area for the agency, as prolonged drought and climate change have increasingly impacted New Mexico’s water resources, including compact deliveries to Elephant Butte Reservoir. New Mexico’s settlement in the Texas v. New Mexico U.S. Supreme Court litigation is driving the need for major investment in projects and sustained oversight in the Middle and Lower Rio Grande. To meet these demands and better serve the needs of the public, the agency has expanded staff presence in Las Cruces.

Legislative Change:

Session Law Citation:

Legal Settlement:

Case Number or Citation:

(Dollars in Thousands)

50YWAP / WAP WSPA Implement — **Rank:** 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
111	General Fund Transfers	1313.4	0.0	0.0	0.0	1313.4	0.0
REVENUE, TRANSFERS		**1313.4**	**0.0**	**0.0**	**0.0**	**1313.4**	**0.0**
200	Personal services and employee benefits	1013.4	0.0	0.0	0.0	1013.4	0.0
300	Contractual services	300.0	0.0	0.0	0.0	300.0	0.0
EXPENDITURES		**1313.4**	**0.0**	**0.0**	**0.0**	**1313.4**	**0.0**
810	Permanent	0	0	0	0	7	0.0
FTEs		**0**	**0**	**0**	**0**	**7**	**0**

Indian Water Rights Settlement Implementation — **Rank:** 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
111	General Fund Transfers	146.6	0.0	0.0	0.0	146.6	0.0
REVENUE, TRANSFERS		**146.6**	**0.0**	**0.0**	**0.0**	**146.6**	**0.0**
200	Personal services and employee benefits	146.6	0.0	0.0	0.0	146.6	0.0
EXPENDITURES		**146.6**	**0.0**	**0.0**	**0.0**	**146.6**	**0.0**
810	Permanent	0	0	0	0	1	0.0
FTEs		**0**	**0**	**0**	**0**	**1**	**0**

Colorado River Technical Staff — **Rank:** 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
111	General Fund Transfers	146.6	0.0	0.0	0.0	146.6	0.0
REVENUE, TRANSFERS		**146.6**	**0.0**	**0.0**	**0.0**	**146.6**	**0.0**
200	Personal services and employee benefits	146.6	0.0	0.0	0.0	146.6	0.0
EXPENDITURES		**146.6**	**0.0**	**0.0**	**0.0**	**146.6**	**0.0**
810	Permanent	0	0	0	0	1	0.0
FTEs		**0**	**0**	**0**	**0**	**1**	**0**

Lower Rio Grande Settlement Implementation — **Rank:** 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation

BU	PCode	Department
55000	P552	000000

EB-2 Expansion Fiscal Summary

(Dollars in Thousands)

111	General Fund Transfers	293.2	0.0	0.0	0.0	293.2	0.0
REVENUE, TRANSFERS		**293.2**	**0.0**	**0.0**	**0.0**	**293.2**	**0.0**
200	Personal services and employee benefits	293.2	0.0	0.0	0.0	293.2	0.0
EXPENDITURES		**293.2**	**0.0**	**0.0**	**0.0**	**293.2**	**0.0**
810	Permanent	0	0	0	0	2	0.0
FTEs		**0**	**0**	**0**	**0**	**2**	**0**

(Dollars in Thousands)

50YWAP / WAP WSPA Implement Rank: 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
520300	Classified Perm Positions F/T	760.1	0.0	0.0	0.0	760.1	0.0
521100	Group Insurance Premium	43.0	0.0	0.0	0.0	43.0	0.0
521200	Retirement Contributions	144.8	0.0	0.0	0.0	144.8	0.0
521300	F I C A	46.7	0.0	0.0	0.0	46.7	0.0
521700	RHC Act Contributions	18.8	0.0	0.0	0.0	18.8	0.0
200	**Personal services and employee benefits**	**1013.4**	**0.0**	**0.0**	**0.0**	**1013.4**	**0.0**
535200	Professional Services	300.0	0.0	0.0	0.0	300.0	0.0
300	**Contractual services**	**300.0**	**0.0**	**0.0**	**0.0**	**300.0**	**0.0**
Total for 50YWAP / WAP WSPA Implement		**1313.4**	**0.0**	**0.0**	**0.0**	**1313.4**	**0.0**

Indian Water Rights Settlement Implementation Rank: 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
520300	Classified Perm Positions F/T	110.0	0.0	0.0	0.0	110.0	0.0
521100	Group Insurance Premium	6.1	0.0	0.0	0.0	6.1	0.0
521200	Retirement Contributions	21.0	0.0	0.0	0.0	21.0	0.0
521300	F I C A	6.8	0.0	0.0	0.0	6.8	0.0
521700	RHC Act Contributions	2.7	0.0	0.0	0.0	2.7	0.0
200	**Personal services and employee benefits**	**146.6**	**0.0**	**0.0**	**0.0**	**146.6**	**0.0**
Total for Indian Water Rights Settlement Implementation		**146.6**	**0.0**	**0.0**	**0.0**	**146.6**	**0.0**

Colorado River Technical Staff Rank: 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
520300	Classified Perm Positions F/T	110.0	0.0	0.0	0.0	110.0	0.0
521100	Group Insurance Premium	6.1	0.0	0.0	0.0	6.1	0.0
521200	Retirement Contributions	21.0	0.0	0.0	0.0	21.0	0.0
521300	F I C A	6.8	0.0	0.0	0.0	6.8	0.0
521700	RHC Act Contributions	2.7	0.0	0.0	0.0	2.7	0.0
200	**Personal services and employee benefits**	**146.6**	**0.0**	**0.0**	**0.0**	**146.6**	**0.0**
Total for Colorado River Technical Staff		**146.6**	**0.0**	**0.0**	**0.0**	**146.6**	**0.0**

Lower Rio Grande Settlement Implementation Rank: 0

EB-3 Expansion Line Item Detail

(Dollars in Thousands)

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
520300	Classified Perm Positions F/T	220.1	0.0	0.0	0.0	220.1	0.0
521100	Group Insurance Premium	12.3	0.0	0.0	0.0	12.3	0.0
521200	Retirement Contributions	41.9	0.0	0.0	0.0	41.9	0.0
521300	F I C A	13.5	0.0	0.0	0.0	13.5	0.0
521700	RHC Act Contributions	5.4	0.0	0.0	0.0	5.4	0.0
200	**Personal services and employee benefits**	**293.2**	**0.0**	**0.0**	**0.0**	**293.2**	**0.0**
Total for Lower Rio Grande Settlement Implementation		**293.2**	**0.0**	**0.0**	**0.0**	**293.2**	**0.0**

Agency Expansion Request Justification

New Mexico agencies making significant requests to expand agency budgets, other than workload changes, or for large special appropriations that appear to expand an agency's recurring budget are being asked to assess the proposals and report on their purpose, potential for success, and plans for implementation and accountability in accordance with the Budget Guidelines of the New Mexico Legislative Finance Committee (LFC) and LFC's Legislating for Results Framework.

1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

2 Needs Assessment

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

4 Research and Evidence

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

6 Fidelity Plan

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: New Mexico Interstate Stream Commission

Short Title of Request: 50YWAP/ Water Security Planning Act Implementation

Point of contact for follow-up information:

Name: Hannah Riseley-White

Title: NMISC Director

Phone:505-695-5592

E-Mail:Hannah.Riseley-White@ose.nm.gov

Is the requested expansion solely the result of a workload change? No

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

a. Why is this expansion needed and what problem or need it is attempting to address?

This request will fund water planning, education and outreach called for by the Water Security Planning Act (WSPA) and the 50-Year Water Action Plan. New Mexico is facing unprecedented impacts of climate change to our landscape and water resources as evidenced by recent forest fires and post fire flooding events. By implementing the WSPA and the OSE/ISC-specific recommendations in the 50-Year Water Action Plan, this request will support communities across New Mexico in preparing for and responding to the impacts of climate change on our water resources.

b. How does this request differ from existing programming?

The OSE/ISC actions called for in the Water Security Planning Act and the 50-Year Water Action Plan are beyond what exist in current programming. Current programming has limited ability to engage the full range of stakeholders whose water resources are being impacted by climate change.

c. How does the requested program fit into the agency's strategic plan?

Yes.

d. Has the agency developed a logic model describing the agency's theory of change?

No

e. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.

2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

a. What is the extent of the problem to be addressed?

Current climate projections estimate that we will have at least 25-30% less water in our rivers and recharging our aquifers by 2070. Increasing water scarcity is impacting every part of the state and has the potential to disproportionately impact underserved populations. Effective planning, education and outreach can support communities in getting out in front of water resource challenges, identifying resources and implementing solutions in a pro-active and cost-effective manner.

As declining supplies increase the complexity and consequences of water-management decisions, the agency needs experienced technical leaders who can independently address complex hydrologic and regulatory issues, guide groundwater and surface-water modeling and monitoring, integrate emerging data and technologies, and translate technical information into defensible recommendations for agency leadership. These positions will also provide critical technical oversight and mentorship, ensuring that the state has the institutional expertise and capacity to make sound, science-based water management decisions.

b. What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

Within the last year, every community in New Mexico has been designated to be in moderate to exceptional drought by the U.S. Drought Monitor.

c. What percentage of the previously identified total statewide need does this request seek to address?

This request will fill a need that is not currently being met by existing programming and will allow OSE/ISC to conduct much broader outreach and engagement efforts.

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

a. How much is the agency's request for FY28 and from what source is the agency requesting additional funding?

$2,345,100 is requested from the General Fund as expansion funding to provide for critically needed staffing and resources. $2,045,100 of which would be in the 200 budget category for positions in WRAP and ISC and $300,000 in the 300 category for ISC-directed contractual services.

FTE positions requested for WRAP:
2 Lead Water Resources Professionals
3 Senior Water Resources Professionals
2 Water Resources Professionals

FTE positions requested for ISC:
2 Lead Water Resources Professionals
2 Senior Water Resources Professionals
3 Water Resources Professionals

b. Provide a list of specific activities that will be carried out if this request is granted.

Implementation of the Water Security Planning Act, including: standing up regional water planning councils as required by the act and rule; supporting future regions in drafting and implementing regional water plans; reporting annually to decision-makers on priority water project recommendations for state funding and the ongoing outcomes of the planning process; supporting communities in leveraging federal funding for water projects; ensuring effective coordination between state agencies related to regional water planning.

Implementation of the OSE/ISC-specific 50-Year Water Action Plan recommendations, including: developing a public education campaign; working with New Mexico's agricultural communities to develop and implement effective incentives for water conservation initiatives; supporting efforts to improve water storage and delivery systems; improving groundwater mapping and monitoring; supporting initiatives that protect and restore watersheds.
The work described above also supports further implementation of the Water Data Act and helps ensure agency data and information are readily available to water managers and the public.

c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

Lead Water Resources Professional (Job Code EWRP30):	**projected midpoint of $167.6k each**
Senior Water Resources Professional (Job Code EWRP26):	**projected midpoint of $146.6k each**
Water Resources Professional (Job Code EWRP23):	**projected midpoint of $128.3k each**

d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

Not Applicable. However, the cost of addressing water challenges on the front end is typically exponentially more cost effective than responding to water shortage emergencies and infrastructure failures. In addition, the Legislative Finance Committee has raised serious concerns about the lack

of prioritization of water-related projects for funding purposes. One of the key outcomes of this effort will be to have regional prioritization of water infrastructure needs, which will ensure that state funding for these projects is allocated to projects that will have the most impact.

e. Does the agency anticipate additional increases above the FY28 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

Unknown

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

a. As defined in New Mexico's Accountability in Government Act, specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

Research-Based

b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by clearinghouse databases.

Climate Change in New Mexico Over the Next 50 Years: Impacts on Water Resources, Bulletin 164, Nelia et al. New Mexico Bureau of Geology and Mineral Resources (chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://geoinfo.nmt.edu/publications/monographs/bulletins/downloads/164/B-164_web.pdf)

c. How will you evaluate the program to confirm your categorization?

Not Applicable

5. Implementation Plan

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

a. What are the training and startup requirements for the proposed program?

None.

b. Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

Implementation of the Water Security Planning Act (WSPA), including:

- **rules and guidelines called for by the act to be final in calendar year 2026**
- **standing up regional water planning councils throughout the state - 2-3 per year on a staggered and iterative basis starting in 2027 through 2032**
- **supporting future regions in drafting and implementing regional water plans - 2-3 per year on a staggered and iterative basis starting in 2029 and ongoing, including required updates every 5-10 years for each region**
- **reporting to decision-makers, including on regional priorities for water projects – beginning in 2026 and annually**
- **supporting communities in leveraging federal funding – by early 2026 and ongoing**
- **ensuring effective coordination between state agencies related to regional planning – 2025 and ongoing**

Implementation of the OSE/ISC-specific 50-Year Water Action Plan recommendations, including:

- **developing a public education campaign related to drought and water conservation – currently under development, to be implemented in 2026 -2030 (if funded)**
- **working with New Mexico's agricultural communities, NM Department of Agriculture and NM State University to implement water conservation programming, including grants for increasing on-farm efficiencies**
- **improving water storage and delivery systems – 2026 and ongoing to be supported by WSPA activities above**
- **improving groundwater mapping and monitoring – late 2025 and ongoing**
- **supporting initiatives that protect and restore watersheds – early 2026 and ongoing**

This request supports further implementation of the Water Data Act and ensures agency data and information are readily available to water managers and the public – late 2025 and ongoing.

Current ISC vacancy rate is 18.57% Recruitment will occur rapidly as there is a real need to get staffing in place or these new, large initiatives. So far, we have had significant interest in these positions.

6. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

a. Describe key components critical to the success of your program.

Accessibility of information; online and in person engagement opportunities; scientific foundation, including technical information translated and visualized for lay audiences; broad engagement across geographic, age and socio-economic groups.

b. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable.

Tracking will be developed for the items above.

7. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

a. What measurable outcome is the agency trying to achieve with the requested expansion?

Number of communities/participants engaged, plans and projects completed.

b. Will the requested program affect any existing performance measures?

No

i. If yes, which performance measures will be affected?

Click or tap here to enter text.

c. What program outputs will the agency measure?

Regional water plans completed and tracking of recommendations from plans implemented. The 50-Year Water Action Plan will track outcomes related to the return on investment goals outlined in each recommendation.

d. What efficiency metrics will the agency monitor?

Not Applicable

e. Does the agency have baseline data for the proposed measures?

No

i. If yes, please provide baseline data.

Click or tap here to enter text.

ii. If no, when and how does the agency anticipate collecting baseline data?

After each council completes its regional plan, NMISC will track implementation of PPPs.

f. How often will the agency collect and report on these performance metrics?

Annually

g. How do you plan to share the results of your program with the public and the Legislature?

WSPA requires annual reporting to the legislature on outcomes from the planning process. The 50-Year Water Action Plan will be reporting outcomes on an established dashboard(https://water-dashboard.nm.gov/) .

NEW MEXICO LEGISLATIVE FINANCE COMMITTEE

Legislating for Results: **Budget Development Tool**

Agency Expansion Request Justification

New Mexico agencies making significant requests to expand agency budgets, other than workload changes, or for large special appropriations that appear to expand an agency's recurring budget are being asked to assess the proposals and report on their purpose, potential for success, and plans for implementation and accountability in accordance with the Budget Guidelines of the New Mexico Legislative Finance Committee (LFC) and LFC's Legislating for Results Framework.

1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

2 Needs Assessment

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

4 Research and Evidence

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

6 Fidelity Plan

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: New Mexico Interstate Stream Commission

Short Title of Request: Indian Water Rights Settlement Implementation

Point of contact for follow-up information:

Name: Hannah Riseley-White

Title: NMISC Director

Phone:505-695-5592

E-Mail:Hannah.Riseley-White@ose.nm.gov

Is the requested expansion solely the result of a workload change? Choose an item.

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

a. Why is this expansion needed and what problem or need it is attempting to address?

These Indian Water Rights Settlement (IWRS) positions will help develop, implement and track funding agreements as required by the State's commitments in these settlements, both through water master administration and project management, obligations that the State has entered into through Indian Water Rights Settlements. Recent Indian Water Rights Settlements entered into by the State require the state to perform new duties in administering water rights between Pueblo and non-Pueblo users. These settlements also provide funding for acequia and municipal water system projects. Water Resource Allocation Program (WRAP) staff need to perform these new water master duties, and Interstate Stream Commission (ISC) staff are needed to administer the new and sometimes complex funding agreements associated with these projects. Filling these positions will help the agency advance the implementation of these critical settlements and leverage federal funding as part of the Settlements.

b. How does this request differ from existing programming?

With respect to additional water master duties: IWRS recognize and quantify tribal water rights. The settlements also typically contain detailed administration agreements between tribes and their neighbors. OSE field and technical staff oversee and administer these administration agreements – typically arrangements regarding who may divert water at what times. This oversight is labor intensive, because it requires constant monitoring to ensure that all parties are adhering to the new administration rules. In recognition of this complexity, the State has agreed in its new settlements to seek new funding to devote to dedicated water master staff to ensure that the settlement administration framework can be implemented as intended by the parties.

With respect to funding administration and oversight: The federal government provides funding to for tribal water development, and these obligations are accompanied by commitments from the state to fund projects for non-tribal entities (i.e., acequias, irrigation districts, mutual domestic water systems, etc.). In effect, the funding for these settlements is matching funding that unlocks significant quantities of federal funding, often in ratios as favorable as 90/10 federal/state.

The agency has developed and implemented funding agreements with hundreds of acequias throughout the state for many years. The agency provides oversight and ensures compliance with these agreements. These types of water infrastructure project agreements are equivalent to miniature versions of the much larger IWRS agreements. Each IWRS will likely have many associated non-tribal project agreements and will likely take significant staff time to ensure implementation and outcomes on the ground. The agency has the skills, but not the capacity to take on management of tens of additional agreements and projects.

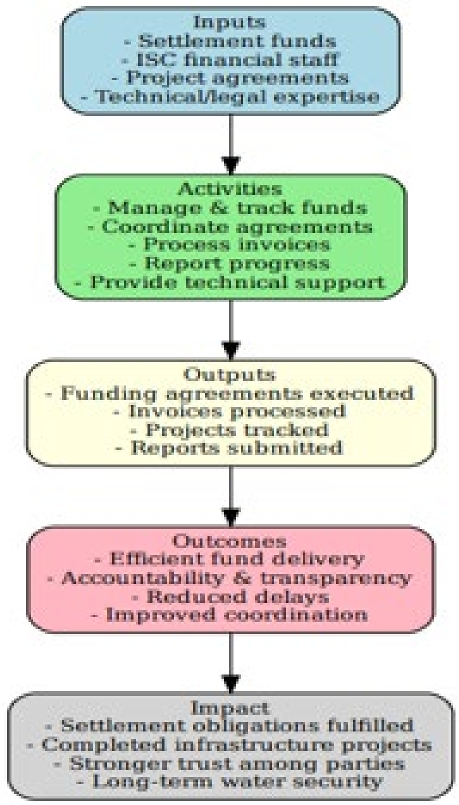
c. How does the requested program fit into the agency's strategic plan?

These settlements are paramount to successful water rights adjudications throughout the state. Implementing and executing these agreements and projects is part of Action A4 of the Governor's 50-Year Water Action Plan.

d. Has the agency developed a logic model describing the agency's theory of change?

Yes

e. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.



2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

a. What is the extent of the problem to be addressed?

A lack of capacity to administer and track tens of contracts/agreements with different entities.

b. What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

These settlements affect water users in the Rio San Jose, Rio Jemez, and Rio Chama basins. Nearly 100 acequias in these areas are part of the new IWRS and will be direct recipients of funding that this position will help administer in addition to municipalities like Espanola. In addition, other settlements are in the early phases of negotiation, once settled they will require additional capacity to track and administer funding. The Pueblos in these stream systems, which have been subject to historic challenges in accessing and utilizing the water which they have rights to, will be able to exercise their water rights based on the settlement provisions administered by OSE water master staff.

c. What percentage of the previously identified total statewide need does this request seek to address?

Administration of Current Funding Agreements - 100%. More staff may be needed given upcoming Settlements.

Water Master staffing – 33%. There will be a need for approximately 4 additional water master staff in future years to oversee new administration requirements in addition to the positions requested this year.

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

a. How much is the agency's request for FY28 and from what source is the agency requesting additional funding?

$360,700 is requested from the General Fund as expansion funding for two IWRS water master staff to implement and help enforce the settlement agreements in WRAP and one position to assist with tracking and managing settlement funds and projects in ISC.

FTE positions requested for WRAP:
2 Associate Water Resources Professionals

FTE positions requested for ISC:
1 Senior Water Resources Professionals

b. Provide a list of specific activities that will be carried out if this request is granted.

- **Manage and track settlement funds (appropriations, transfers, reimbursements)**
- **Coordinate with project proponents on funding agreements**
- **Review and approve invoices and expenditures for compliance**
- **Report progress and expenditures to Legislature, DFA, and settlement parties**
- **Provide administrative support to ensure timely project completion**

- Click or tap here to enter text.

c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

Senior Water Resources Professional (Job Code EWRP26): projected midpoint of $146.6k each
Associate Water Resources Professionals (Job Code EWRP20): projected midpoint of $107.1k each

d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

The state will ultimately leverage federal funding in a ratio of 90/10 to state funding for these settlements.

e. Does the agency anticipate additional increases above the FY28 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

Yes. The state may need to hire additional full-time water master staff in future years, depending on finalization of numerous IWRS currently in negotiations.

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

a. As defined in New Mexico's Accountability in Government Act, specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

None

b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by clearinghouse databases.

Not Applicable

c. How will you evaluate the program to confirm your categorization?

By the number of non-tribal infrastructure agreements related to fully funded federal IWRS agreements.

5. Implementation Plan

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

a. What are the training and startup requirements for the proposed program?

With respect to water master administration, the state has been conducting water master oversight over water rights use in basins throughout the state for many years. The new settlements impose additional duties, but these additional duties are within the knowledge and experience of WRAP. Therefore, WRAP will be able to train the new hires just like any other new employee filling a vacancy within the program.

With respect to administering funding, the OSE/ISC has processes and procedure in place for acequia and irrigation ditch infrastructure funding. As noted above in Section 1b, the agency has the skills and experience with hundreds of acequia infrastructure agreements. We simply need additional staff to increase capacity. The start up and training already exist in-house.

b. Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

With respect to funding, every IWRS is dependent upon the federal government to fund. The state provides funding for associated non-tribal projects. Once an IWRS is finalized, the agency can move fairly quickly (typically within a year) to initiate agreements and pay invoices once proponents start construction. With additional funding, the agency will immediately recruit, hire, and train the additional staff. The ISC's current vacancy rate is 18.57%.

6. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

a. Describe key components critical to the success of your program.

The agency needs to recruit exceptional talent for the positions. This is the key component that will ensure success.

b. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable.

The agency has developed a flow chart of critical steps to ensure success of the process and projects. Adhering to the process will ensure all parts of the (quite complicated) process are successful.

7. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

a. What measurable outcome is the agency trying to achieve with the requested expansion?

1. agreements entered into (immediate)

2. projects built (future)

b. Will the requested program affect any existing performance measures?

No

i. If yes, which performance measures will be affected?

Not applicable

c. What program outputs will the agency measure?

Click or tap here to enter text.

d. What efficiency metrics will the agency monitor?

Number of agreements entered into with non-tribal entities for fully funded federal Indian Water Rights Settlements.

e. Does the agency have baseline data for the proposed measures?

No

i. If yes, please provide baseline data.

Not applicable

ii. If no, when and how does the agency anticipate collecting baseline data?

Within one year

f. How often will the agency collect and report on these performance metrics?

Semi-annually

g. How do you plan to share the results of your program with the public and the Legislature?

The agency will report out to the legislative and interim committees

NEW MEXICO LEGISLATIVE FINANCE COMMITTEE

Legislating for Results: **Budget Development Tool**

Agency Expansion Request Justification

New Mexico agencies making significant requests to expand agency budgets, other than workload changes, or for large special appropriations that appear to expand an agency's recurring budget are being asked to assess the proposals and report on their purpose, potential for success, and plans for implementation and accountability in accordance with the [Budget Guidelines of the New Mexico Legislative Finance Committee (LFC)] and LFC's [Legislating for Results Framework].

1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

2 Needs Assessment

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

4 Research and Evidence

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

6 Fidelity Plan

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: New Mexico Interstate Stream Commission

Short Title of Request: Colorado River technical staff

Point of contact for follow-up information:

Name: Hannah Riseley-White

Title: NMISC Director

Phone:505-695-5592

E-Mail:Hannah.Riseley-White@ose.nm.gov

Is the requested expansion solely the result of a workload change? No

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

a. Why is this expansion needed and what problem or need it is attempting to address?

Increasing shortages in the Colorado River Basin are affecting all seven states that rely on the Colorado River. These challenges require engagement and resolution across the state and with the U.S. Department of the Interior in order to avoid costly and lengthy litigation. Additional highly skilled technical staff is required to engage fully in those negotiations and protect New Mexico's interests in Colorado River water – which serves water users in the San Juan and Rio Grande basins.

b. How does this request differ from existing programming?

This request will expand and enhance New Mexico's ability to engage in critical interstate negotiations.

c. How does the requested program fit into the agency's strategic plan?

This request will support the agency's strategic plan by allowing us to more fully achieve the plan goals including protecting New Mexico water users. Increased staffing will also make the agency more accessible to the public and stakeholders and better able to address regional water resources management challenges including greater understanding of our interstate compacts.

d. Has the agency developed a logic model describing the agency's theory of change?

No

e. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.

2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

a. What is the extent of the problem to be addressed?

Failure to engage fully, including with sound technical work, could have long-term implications for New Mexico water users who rely on Colorado River water.

b. What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

The Colorado River provides a significant percentage of water supplies through the San Juan Chama Project for the cities of Albuquerque, Santa Fe, numerous tribes and the Middle Rio Grande Conservancy District, one of New Mexico's major irrigation districts, in addition to significant water users in the San Juan Basin.

c. What percentage of the previously identified total statewide need does this request seek to address?

Not Applicable

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

a. How much is the agency's request for FY28 and from what source is the agency requesting additional funding?

$146,600 is requested from the General Fund as expansion funding to fund a critically needed senior-level technical staff position to help respond to developing interstate issues on the Colorado River.

b. Provide a list of specific activities that will be carried out if this request is granted.

This new senior-level FTE will be assisting with technical analysis, supporting the development of New Mexico's Water Contributions Program in the San Juan Basin, assisting in the implementation of lease agreements under the Strategic Water Reserve, assisting in the management of grant awards received from the federal government, supporting community and stakeholder engagement, among other things

c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

Senior Water Resources Professional (Job Code EWRP26): projected midpoint of $146.6k each

d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

Not Applicable

Does the agency anticipate additional increases above the FY28 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

Unknown

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

a. As defined in New Mexico's Accountability in Government Act, specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

None

b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by clearinghouse databases.

Not applicable.

c. How will you evaluate the program to confirm your categorization?

Not Applicable

5. Implementation Plan

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

a. What are the training and startup requirements for the proposed program?

New staff will need to be recruited and trained. Agency training is already in place for new and existing staff.

b. Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

New technical staff can be recruited and hired within one to two months of the new fiscal year. Typically, within one-year of the hiring date new staff reach the initial milestones needed for the bureau's work in the basin.

The need for enhanced technical work, including data collection and analysis, hydrologic modeling and other technical support is ongoing and increasing. Engagement across the seven basin states is increasingly needed as well as engagement and coordination with New Mexico water users.

When the funding becomes available, the recruitment process will start immediately. ISC's vacancy rate is currently 18.57%.

6. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

a. Describe key components critical to the success of your program.

Verification that New Mexico is well represented in interstate discussions. Ensuring stakeholders in New Mexico have awareness of basin-wide issues and involved in crafting long-term solutions.

b. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable.

Tracking will be developed for the items above.

7. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

a. What measurable outcome is the agency trying to achieve with the requested expansion?

Positive outcomes from interstate negotiations; more robust hydrologic tools in support of New Mexico's interests in the Colorado River Basin; state and/or federal funding spent towards New Mexico's Water Contributions Program in the San Juan Basin to benefit New Mexico water users.

Will the requested program affect any existing performance measures?

No

i. If yes, which performance measures will be affected?

Not applicable.

b. What program outputs will the agency measure?

Volumes of water contributed towards New Mexico's Water Contributions Program in the San Juan Basin, federal dollars received/spent towards this program.

c. What efficiency metrics will the agency monitor?

Not Applicable

d. Does the agency have baseline data for the proposed measures?

Yes

i. If yes, please provide baseline data.

Using state funds in water year 2025, the NMISC has been successful in verifiable accounting of 19,813 acre-feet in Lake Powell made available to the NMISC under the lease agreement with the Jicarilla Apache Nation.

ii. If no, when and how does the agency anticipate collecting baseline data?

Click or tap here to enter text.

e. How often will the agency collect and report on these performance metrics?

Annually

f. How do you plan to share the results of your program with the public and the Legislature?

NMISC will report to legislature (during the session hearings and/or interim meetings if invited) and continue to share information publicly (through public meetings and the NMISC website).

Agency Expansion Request Justification

New Mexico agencies making significant requests to expand agency budgets, other than workload changes, or for large special appropriations that appear to expand an agency's recurring budget are being asked to assess the proposals and report on their purpose, potential for success, and plans for implementation and accountability in accordance with the Budget Guidelines of the New Mexico Legislative Finance Committee (LFC) and LFC's Legislating for Results Framework.

1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

2 Needs Assessment

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

4 Research and Evidence

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

6 Fidelity Plan

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: New Mexico Interstate Stream Commission

Short Title of Request: Lower Rio Grande Settlement Implementation

Point of contact for follow-up information:

Name: Hannah Riseley-White

Title: NMISC Director

Phone:505-695-5592

E-Mail:Hannah.Riseley-White@ose.nm.gov

Is the requested expansion solely the result of a workload change? No

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

a. Why is this expansion needed and what problem or need it is attempting to address?

The Rio Grande Basin has become a critical focus area for the agency, as prolonged drought and climate change have increasingly impacted New Mexico's water resources, including compact deliveries to Elephant Butte Reservoir. New Mexico's settlement in the Texas v. New Mexico U.S. Supreme Court litigation is driving the need for major investment in projects and sustained oversight in the Middle and Lower Rio Grande. To meet these demands and better serve the needs of the public, the agency has expanded staff presence in Las Cruces.

b. How does this request differ from existing programming?

The increased and required focus on the central and southern portions of the Rio Grande basin is new given the highly variable water supply and results of interstate litigation settlement.

c. How does the requested program fit into the agency's strategic plan?

By increasing staff accessibility to the public and to critical project areas, the agency will better address regional water resources management challenges and improve our status under our interstate compacts.

d. Has the agency developed a logic model describing the agency's theory of change?

No

e. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.

2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

a. What is the extent of the problem to be addressed?

Because of extended drought affecting the state, New Mexico is currently running a deficit on its required deliveries to Elephant Butte Reservoir under the Rio Grande Compact. In addition, there is a critical need to focus on the Lower Rio Grande to ensure successful implementation of the landmark settlement that was approved by the U.S. Supreme court in June of 2026.

b. What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

This affects about half of the water used in NM and about half to two thirds of the state's population.

c. What percentage of the previously identified total statewide need does this request seek to address?

This will address the identified half of water use and the one half to two thirds of the state's population.

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

a. How much is the agency's request for FY28 and from what source is the agency requesting additional funding?

$293,200 is requested from the General Fund as expansion to provide for critically needed technical staff positions within the Lower Rio Grande.

FTE positions requested:
2 Senior Water Resources Professionals

b. Provide a list of specific activities that will be carried out if this request is granted.

If funded, the recruitment process will start immediately.

New staff will need to be recruited and trained. Agency training is already in place for new and existing staff.

c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

Senior Water Resources Professional (Job Code EWRP26): projected midpoint of $146.6k each

d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

e. Does the agency anticipate additional increases above the FY26 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

Unknown

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

a. As defined in New Mexico's Accountability in Government Act, specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

None

b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by clearinghouse databases.

Not applicable.

c. How will you evaluate the program to confirm your categorization?

Not applicable

5. Implementation Plan

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

a. What are the training and startup requirements for the proposed program?

New staff will need to be recruited and trained. Agency training is already in place for new and existing staff.

b. Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

New staff will support implementation of depletions reductions programs, technical analysis to support tracking and meeting new state line delivery requirements, exploration of potential new water supplies, enhanced system efficiency and stormwater management, as well as stakeholder and community engagement. When the funding becomes available, the recruitment process will start immediately. ISC's current vacancy rate is 18.57%.

6. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

a. Describe key components critical to the success of your program.

To be determined.

b. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable.

Tracking will be developed for the items above.

7. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

a. What measurable outcome is the agency trying to achieve with the requested expansion?

Compact compliance & Settlement Implementation success as measured by those specific metrics required in the settlement.

b. Will the requested program affect any existing performance measures?

Yes

i. If yes, which performance measures will be affected?

Compact compliance

c. What program outputs will the agency measure?

Water delivered to ensure compact compliance.

d. What efficiency metrics will the agency monitor?

Not Applicable

e. Does the agency have baseline data for the proposed measures?

Yes

i. If yes, please provide baseline data.

See agency's current quarterly report measurements.

ii. If no, when and how does the agency anticipate collecting baseline data?

Click or tap here to enter text.

f. How often will the agency collect and report on these performance metrics?

The agency collects data in an ongoing manner and reports quarterly.

How do you plan to share the results of your program with the public and the Legislature?

Quarterly performance measure reporting.

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	GF	OSF	ISF/IAT	FF	Total	Justification
						FY 2028 Agency Request					
00000	520300	Classified Perm Positions F/T	0.0	0.0	766.86	0.0	0.0	0.0	0.0	0.0	
00000	521100	Group Insurance Premium	0.0	0.0	56.24	0.0	0.0	0.0	0.0	0.0	Insurance premium for FTEs
00000	521200	Retirement Contributions	0.0	0.0	156.7	0.0	0.0	0.0	0.0	0.0	
00000	521300	F I C A	0.0	0.0	47.18	0.0	0.0	0.0	0.0	0.0	FICA for FTEs
00000	521700	RHC Act Contributions	0.0	0.0	20.09	0.0	0.0	0.0	0.0	0.0	
21400	520100	Exempt Perm Positions P/T&F/T	308.8	474.3	318.03	350.0	0.0	0.0	0.0	350.0	Salary for FT exempt positions
21400	520200	Term Positions	731.1	5.1	3.77	1,239.8	0.0	0.0	0.0	1,239.8	Salary for FT term Positons
21400	520300	Classified Perm Positions F/T	4,362.9	6,058.4	5,950.68	4,177.9	47.1	822.6	0.0	5,047.6	Salary for Classified FTE . Increased AWSA funding by 325.3 for funding 1 FTE
21400	520500	Temporary Positions F/T & P/T	74.2	78.3	0.66	176.2	50.0	0.0	0.0	226.2	Salary for Temp FTEs
21400	520600	Paid Unused Sick Leave	11.4	0.0	0	0.0	0.0	0.0	0.0	0.0	
21400	520700	Overtime & Other Premium Pay	50.1	0.0	0	0.0	0.0	0.0	0.0	0.0	0
21400	520800	Annl & Comp Paid At Separation	36.5	0.0	0	0.0	0.0	0.0	0.0	0.0	
21400	521100	Group Insurance Premium	725.5	583.9	875.2	518.1	12.4	0.0	0.0	530.5	Insurance premium for FTEs
21400	521200	Retirement Contributions	1,058.3	1,060.5	1,191.56	1,206.4	18.5	0.0	0.0	1,224.9	
21400	521300	F I C A	416.1	435.3	385.96	398.6	6.0	0.0	0.0	404.6	FICA for FTEs
21400	521400	Workers' Comp Assessment Fee	0.6	0.0	0	0.0	0.0	0.0	0.0	0.0	
21400	521410	GSD Work Comp Insur Premium	26.7	33.6	0	35.2	0.0	0.0	0.0	35.2	GSD work comp insurance premium
21400	521600	Employee Liability Ins Premium	17.1	32.7	0	36.7	0.0	0.0	0.0	36.7	Employee liability ins premium
21400	521700	RHC Act Contributions	109.9	123.6	126.18	113.5	2.0	0.0	0.0	115.5	RHC Contributions for FTE
	200	**Personal services and employee benef**	**7,929.3**	**8,885.7**	**9,899.11**	**8,252.4**	**136.0**	**822.6**	**0.0**	**9,211.0**	
21400	542100	Employee I/S Mileage & Fares	1.5	2.5	0	0.0	2.5	0.0	0.0	2.5	Mileage and Fares associated with travel for ISC employees to attend meetings, present at meetings and manage projects throughout the state to carry out the statutory mission of the ISC. At least 40% of ISC staff travel around the state on a daily basis. ISC Travel depends on the issues that arise which are dependent on the quantity of snow melt run off and rain in the river or the lack there of.
21400	542200	Employee I/S Meals & Lodging	5.5	5.0	0	0.0	0.5	9.5	0.0	10.0	Meals and lodging associated with travel for ISC employees to attend meetings, present at meetings and manage projects throughout the state to carry out the statutory mission of the ISC. At least 40% of ISC staff travel around the state on a daily basis. ISC Travel depends on the issues that arise which are dependent on the quantity of snow melt run off and rain in the river or the lack there of.

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
21400	542300	Brd & Comm Mbr Meals & Lodging	4.0	2.5	0	2.5	0.0	3.0	0.0	5.5	Meals and lodging associated with travel for ISC commissioners
21400	542310	Brd & Comm Mbr Mileage & Fares	3.1	3.0	0	3.0	0.0	1.0	0.0	4.0	Mileage and Fares associated with travel for ISC Commissioners
21400	542500	Transp - Fuel & Oil	16.3	15.8	0	18.1	2.7	0.0	0.0	20.8	Gasoline for leased vehicles and maintance equipment.
21400	542600	Transp - Parts & Supplies	4.1	0.5	0	4.1	0.0	1.3	0.0	5.4	Car Washes, additional keys and miscellaneous additional items needed for regular maintenance to keep the State Vehicles in top condition.
21400	542800	State Transp Pool Charges	48.6	43.6	0	47.6	3.6	23.1	0.0	74.3	30.6 increase for cost adjustment GSD lease fees for vehicles located in Albuquerque, Roswell, Logan, Los Lunas, Costilla, Cimarron/Eagel's Nest and Santa Fe.
21400	543100	Maint - Grounds & Roadways	27.5	30.0	0	0.0	30.0	0.0	0.0	30.0	Pipeline and Grounds Maintenance at the Los Lunas Silvery Minnow Refugium, Rio Grande Habitat Restoration Sites, and the various other project sites throughout the state. The Bureau of Reclammation has agreed to reimburse the ISC for the additional maintenance costs associated with the Vaughan conservation pipeline.
21400	543200	Maint - Furn, Fixt, Equipment	150.8	175.8	0	0.0	0.0	216.0	0.0	216.0	40.2 increase to AWSA budget Maintance and Upgraade at Seven Rivers and Lake Arthur Pipeline and Well Fields, and at various stream gages locations through out the state and for the SCADA System at the Voughn field. Maintenance at the Los Lunas Silvery Minnow Refugium
21400	543300	Maint - Buildings & Structures	2.7	30.0	0	0.0	30.0	0.0	0.0	30.0	Pipeline and Grounds Maintenance at the Los Lunas Silvery Minnow Refugium, Rio Grande Habitat Restoration Sites, and the various other project sites throughout the state. The Bureau of Reclammation has agreed to reimburse the ISC for additional pipeline and grounds maintenance costs associated with the Vaughan conservation pipeline.
21400	543500	Maint - Supplies	0.0	0.5	0	0.0	0.0	0.5	0.0	0.5	Maintenance supplies at Ute Reservoir and Eagle Nest Reservoir
21400	543700	Maintenance Services	0.0	0.2	0	0.0	0.0	0.2	0.0	0.2	Maintenance Services for any maintance regarding Ute Reservoir, Vaoughn Pipeline and Well Fields, Rio Grande Habitat Restoration Sites and Los Lunas Refugium
21400	543820	Maintenance IT	0.0	5.2	0	5.2	0.0	0.0	0.0	5.2	Annual Maintenance and operating costs for: SCADA located at the Vaughan Pipeline and well field and ISC staff computer/software maintenance

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
21400	543830	IT HW/SW Agreements	38.4	46.0	0	116.0	0.0	10.3	0.0	126.3	70.0 increase for ESRI renewal / renegotiation 10.3 in AWSA funding IT Software Agreements
21400	544000	Supply Inventory IT	14.9	29.0	0	127.5	1.5	0.0	0.0	129.0	Annual Software Licenses and Purchase of ink cartridges for printers
21400	544100	Supplies-Office Supplies	6.2	8.5	0	8.5	0.0	0.0	0.0	8.5	Office Supplies for staff
21400	544200	Supplies-Medical,Lab,Personal	0.3	2.0	0	2.0	0.0	0.0	0.0	2.0	Purchase and Disposal of chemicals needed for Los Lunas Refugium
21400	544300	Supplies-Drugs	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0
21400	544400	Supplies-Field Supplies	26.0	21.0	0	2.0	0.0	24.0	0.0	26.0	5.0 increase in AWSA funding Field Supplies for Staff for use at the Ute Dam, Eagle Nest Dam, Los Lunas Refugium and ISC owned well fields and pipelines.
21400	544700	Supplies-Clothng,Unifrms,Linen	0.2	6.0	0	6.0	0.0	6.0	0.0	12.0	6.0 increase from AWSA funding
21400	544800	Supplies-Education&Recreation	0.0	0.5	0	0.5	0.0	0.5	0.0	1.0	.5 increase from AWSA funding
21400	544900	Supplies-Inventory Exempt	7.6	15.0	0	15.0	0.0	0.0	0.0	15.0	10.0increase from AWSA funding Miscellaneous equipment needed at Ute Reservoir, Rio Grande Habitat Restoration Sites, Los Lunas Refugium, Lake Arthur Well Field & Pipeline, and 7 Rivers Well Field & Pipeline to include but not limited to air pumps, paper shredder, security equipment and office equipment.
21400	545600	Reporting & Recording	15.8	10.0	0	17.0	0.0	0.0	0.0	17.0	7.0 increase to AWSA funding To receive copies of transcripts of hearings, access of online legal documents and recordings, and filing documents with the various Counties of New Mexico
21400	545700	ISD Services	42.8	60.0	0	69.6	0.0	0.0	0.0	69.6	7.8 increase cost adjustment GSD Rate for ISD sercvices includes
21400	545710	DOIT HCM Assessment Fees	25.6	30.0	0	28.2	0.0	0.0	0.0	28.2	GSD Rate for HCM assesmemt fees
21400	545900	Printing & Photo Services	3.6	4.0	0	3.5	0.5	0.0	0.0	4.0	Printing of various reports and publications including the State Water Plan, Compact Commission Reports, and other various pamplets, reports and handouts
21400	546100	Postage & Mail Services	1.3	0.5	0	1.0	0.5	0.0	0.0	1.5	Postage & UPS for contractual Documents and to mail out the packet materials to Commissioners for Commission Meetings
21400	546310	Utilities - Sewer/Garbage	9.2	27.2	0	27.2	0.0	5.5	0.0	32.7	5.5 increase in AWSA funding Sewage Costs for offices located at Ute Reservoir and Los Lunas Silvery Minnow Refugium

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
21400	546320	Utilities - Electricity	98.1	121.8	0	26.8	95.0	6.8	0.0	128.6	26.8 increase in AWSA funding Utility costs for ISC owned offices at Ute Reservior and the Los Lunas Refugium and electrical service are for theAtrisco Site, 7 Rivers and Vaughan Well Fields
21400	546330	Utilities - Water	0.0	1.0	0	1.0	0.0	1.0	0.0	2.0	1.0 increase in AWSA funding Utility - Water
21400	546340	Utilities - Natural Gas	0.0	1.0	0	1.0	0.0	1.0	0.0	2.0	1.0 increase in AWSA funding Cost of natural gas at the Los Lunas Refugium (paid to DOH)
21400	546350	Utilities - Propane	1.4	1.5	0	1.5	0.0	0.0	0.0	1.5	Game Protection Fund $1.5 - Propane used at Ute Reservoir
21400	546400	Rent Of Land & Buildings	288.1	557.6	0	466.3	301.3	0.0	0.0	767.6	150.0 reduction in SWR for use in 300 category 260.0 increase for office needs statewide Albuquerque, Roswell, Village of Los Lunas Water Lease, VP Bar Water Lease reducing SWR by 150.0 to be transferred into the 300 category
21400	546409	Rent Expense - Interagency	1.2	3.0	0	0.0	0.0	6.0	0.0	6.0	3.0 increase in AWSA funding
21400	546500	Rent Of Equipment	25.1	25.0	0	14.7	0.0	19.3	0.0	34.0	19.0 increase in AWSA funding Rent of copy machine in Los Lunas, Albuquerque and Santa Fe offices.
21400	546600	Communications	1.6	1.5	0	0.0	0.5	1.0	0.0	1.5	Phone and Cell Service for the Ute Reservoir - services is paid directly to vendor and not through DoIT
21400	546610	DOIT Telecommunications	91.4	99.3	0	104.7	0.0	0.0	0.0	104.7	GSD Rate includes a 5.4 increase for additional costs
21400	546700	Subscriptions/Dues/License Fee	252.2	220.0	0	320.0	0.0	0.0	0.0	320.0	Compact dues, Assessment Fees and membership in water resources organizations. Upper Colorado River Compact Commission, Canadian River Compact Commission, Costilla Creek Compact, North American Interstate Weather Modification Council, Rio Grande Compact, Colorado River Salinity Control Forum, Pecos River Compact Commission; State of New Mexico memberships in water resources organizations include: Interstate Council on Water Policy, National Water Resources Association (shared with OSE), Colorado River Water Users Association: Upper Colorado River Commissioner and Engineer and legal advisers, New Mexico One Call Inc., ISC - Professional engineering registration fees, ISC - Attorney registration fees

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
21400	546709	Subscription & Due Interagency	0.2	0.0	0	0.0	0.0	0.0	0.0	0.0	#N/A
21400	546800	Employee Training & Education	6.4	5.2	0	51.0	0.2	(1.0)	0.0	50.2	5.0 increase in AWSA funding Attendance at job related Training for engineers and Legal Staff.
21400	546900	Advertising	0.1	0.5	0	0.0	0.0	0.5	0.0	0.5	
21400	547900	Miscellaneous Expense	953.3	920.9	0	938.9	0.0	23.1	0.0	962.0	23.1 increase from AWSA Pumping Services for wells within the Pecos Valley Artesian Conservancy District; Carlsbad Irrigation District - Annual Assessments on Lands owned within the Lower Pecos River Basin (CID - $400.8 & Hagerman - $130.5) - paid to Hagerman Irrigation Company and other miscellaneous expenses associated with operation of Pecos Basin water wells.
21400	547999	Request to Pay Prior Year	201.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0
21400	548300	Information Tech Equipment	0.0	2.1	0	2.1	0.0	0.0	0.0	2.1	
21400	548400	Other Equipment	0.0	30.0	0	0.0	30.0	0.0	0.0	30.0	Miscellanous equipment needed at the Vaughn Well Field and Pipeline project sites in the Pecos Basin.
21400	548900	Buildings & Structures	0.0	221.9	0	106.9	115.0	45.5	0.0	267.4	45.5 increase from AWSA funding Water Well Improvements at the Vaughn Well Field and Pipeline project sites in the Pecos Basin.
21400	549600	Employee O/S Mileage & Fares	0.0	3.0	0	3.0	0.0	0.0	0.0	3.0	Travel is necessary to attend Interstate Compact meetings in Colorado, Utah, Wyoming, Nevada, Texas, Mexico, etc. ISC Travel depends on the issues that arise which are dependent on the quantity of snow melt run off and rain in the river or the lack there of.
21400	549700	Employee O/S Meals & Lodging	0.5	1.0	0	1.0	0.0	0.0	0.0	1.0	Travel is necessary to attend Interstate Compact meetings in Colorado, Utah, Wyoming, Nevada, Texas, Mexico, etc. ISC Travel depends on the issues that arise which are dependent on the quantity of snow melt run off and rain in the river or the lack there of.
43190	547400	Grants To Local Governments	1,283.6	0.0	0	0.0	0.0	0.0	0.0	0.0	0
	400	**Other**	**3,660.4**	**2,790.6**	**0**	**2,543.4**	**613.8**	**404.1**	**0.0**	**3,561.3**	
32600	555100	Other Financing Uses	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
32600	555106	OFU - INTRA-Agency	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
32800	555100	Other Financing Uses	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
	500	**Other financing uses**	**0.0**	**0.0**	**0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
TOTAL EXPENSE			**11,589.7**	**11,676.3**		**10,795.8**	**749.8**	**1,226.7**	**0.0**	**12,772.3**	

Contract by PCode Detail

(Dollars in Thousands)

BU	PCode
55000	P552

Fund	Account		#	Contract Purpose	Actuals	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
21400	535200	Professional Services	1000		2,030.1	0.0	0.0	0.0	0.0	0.0	
21400	535200	Professional Services	1001	For Outsourcing Professional Services	0.0	2,920.0	150.0	50.0	0.0	3,120.0	For outsourcing professional services (various contracts to provide strategic media, community and governmental relations consulting, training and facilitation, conflict resolution, technical case management, expert support in the area of water resource management, services related to water litigation, surface water hydrology, geohydrology, biology / ecology and/ or water resource planning, tech support for rehab activities, tech support on litigation, engineering services. increasing AWSA budget for services related to out reach and implementation.
21400	535300	Other Services	1000		987.8	0.0	0.0	0.0	0.0	0.0	
21400	535300	Other Services	1002	For Outsourcing Technical Services	0.0	117.1	40.0	2,221.6	0.0	2,378.7	For outsourcing technical services (various contracts for ecosystem and water quality monitoring, professional cataloging services, assessment fees, streamflow measurement inspection, service and maintenance of ditch or stream gaging stations, facilities maintenance, water analysis, technical survey services, technical case management, temp labor, shredding services, USGS joint funding agreement, professional legal services
21400	535309	Other Services - Interagency	1000		40.0	0.0	0.0	0.0	0.0	0.0	
21400	535500	Attorney Services	1000		90.2	0.0	0.0	0.0	0.0	0.0	
21400	535600	IT Services	1003		34.2	0.0	0.0	0.0	0.0	0.0	
	TOTAL EXPENSE				**3,182.4**	**3,037.1**	**190.0**	**2,271.6**	**0.0**	**5,498.7**	

DFA Performance Based Budgeting Data System

Annual Performance Report

Agency: 55000 State Engineer

Program: P552 Interstate Stream Compact Compliance and Water Development

The purpose of the interstate stream compact compliance and water development program is to provide resolution of federal and interstate water issues and to develop water resources and stream systems for the people of New Mexico so they can have maximum sustained beneficial use of available water resources.

Performance Measures:		2025-26 Target	2025-26 Result	Met Target	Year End Result Narrative
Explanatory	Amount of cumulative New Mexico unit fund expenditures	N/A	23,220,000	N/A	During the second quarter of FY26, the ISC continued to develop and execute funding agreements with grantees. The agency anticipates that three new funding agreements will be executed in the third quarter and spending will commence. Through the end of the year ISC will continue to develop and execute funding agreements under the new Pilot Cycle I and set policies for Pilot Cycle II.
Outcome	Number of acre-feet of cumulative state-line delivery credit per the Pecos river compact and amended decree at the end of the calendar year	161,600	110,900	No	New Mexico's cumulative Pecos River Compact credit continues to be positive. The U.S. Supreme Court's Pecos River Master issued his final report for Water Year 2025 on June 29, 2026. That report included an annual debit to New Mexico of 15,100 acrefeet, bringing the cumulative credit to 110,900 acre-feet. New Mexico's current cumulative credit is attributable in large part to the 2003 Pecos Settlement Agreement and the State's significant investment in its implementation, including the purchase of water rights and construction and operation of two augmentation wellfields.
Outcome	Number of acre-feet of cumulative state-line delivery credit per the Rio Grande compact at the end of the calendar year	-150,000	-132,000	Yes	New Mexico's Compact debt for Calendar Year 2026 will remain below 150,000 acre-feet, based on the final 2025 accounting. ISC and OSE leadership continue coordinating on concerted efforts to decrease the debt by increasing deliveries to Elephant Butte Reservoir, including: advancing projects to increase channel conveyance and improve deliveries to the Reservoir; supporting increased conservation measures and strategic planning to reduce withdrawals from the river; and preparing for enhanced metering and enforcement activities in the Middle Valley including a planned metering order for all un-metered groundwater diversions.

Performance Measures Summary

P552 **Interstate Stream Compact Compliance and Water Development**

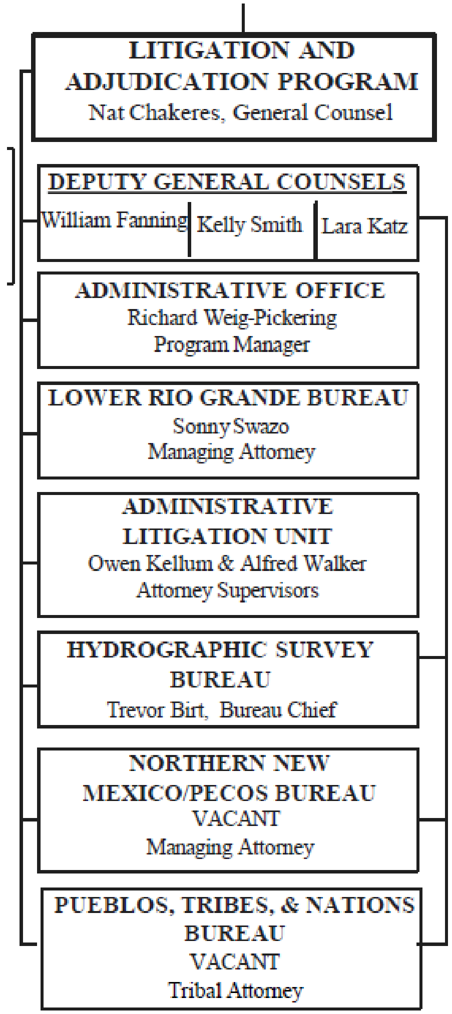
Purpose: The purpose of the interstate stream compact compliance and water development program is to provide resolution of federal and interstate water issues and to develop water resources and stream systems for the people of New Mexico so they can have maximum sustained beneficial use of available water resources.

Performance Measures:		2024-25 Actual	2025-26 Actual	2026-27 Budget	2027-28 Request	2027-28 Recomm
Outcome	Number of acre-feet of cumulative state-line delivery credit per the Pecos river compact and amended decree at the end of the calendar year	126,000	110,900	161,000	0	
Outcome	Number of acre-feet of cumulative state-line delivery credit per the Rio Grande compact at the end of the calendar year	-124,000	-132,000	-150,000	-150,000	
Explanatory	Amount of cumulative New Mexico unit fund expenditures	23,060,000	23,220,000	N/A	N/A	

Agency Name: Office of the State Engineer
Program Name: Litigation and Adjudication Program

Business Unit: 55000
Program Code: P553

APPROPRIATION REQUEST
ORGANIZATION CHART
FORM S-2



Program Description:

The General Counsel serves as the legal advisor to the State Engineer. Litigation and Adjudication Program (LAP) attorneys are commissioned as Special Assistant Attorneys General to represent the State Engineer in all matters in the state and federal courts and to represent the State of New Mexico in all pending water rights adjudications.

LAP is divided into five bureaus. Attorneys in the Administrative Litigation Unit represent the Water Rights Division of the Water Resource Allocation Program in all administrative hearings before the State Engineer and represent the State Engineer in appeals of State Engineer decisions to the courts, in enforcement proceedings to prevent illegal uses of water, and other litigation where the State Engineer is a party.

Three bureaus (Hydrographic Survey and Mapping Bureau, Pecos and Northern New Mexico Adjudication Bureau, and Lower Rio Grande Adjudication Bureau) are dedicated to conducting water rights adjudications on behalf of the State of New Mexico in state and federal courts. Technical staff in these bureaus have training and expertise in GIS, surveying, and engineering. They perform hydrographic surveys to provide the factual basis for all adjudication suits and work closely with legal staff to provide technical support for ongoing adjudications and other water rights related matters.

The newly-formed Bureau for Pueblos, Tribes, and Nations negotiates with Indian Pueblos, Tribes, and Nations to reach settlements which not only define tribal water rights but also future administrative procedures and, in some cases, the construction, operation, and maintenance of new water projects. This bureau’s work also includes securing judicial approvals and legislative funding for Indian water right settlements.

The main LAP office is located in Santa Fe, and LAP also has some employees in Albuquerque. LAP also maintains a Lower Rio Grande adjudication survey office in Las Cruces, which is staffed with experienced hydrographic survey technical personnel to support the Lower Rio Grande adjudication and serves as a local point of contact for water rights owners involved in that adjudication.

Major Issues and Accomplishments:

In the past year, LAP has achieved the following accomplishments: (1) successfully advancing pending Indian Water Rights Settlements in Congress; (2) launching a Hydrographic Survey of the Santa Clara Creek basin; (3) Achieving a victory in the New Mexico Supreme Court in the Intrepid Potash matter, clarifying the law of abandonment of water rights; (4) advancing multiple rulemaking efforts; (5) continuing to meet performance targets in ongoing adjudications; (6) providing high quality representation of the Water Rights Division and the State Engineer in administrative hearings and district and appellate courts, including providing updated guidance to the Water Rights Division on cutting-edge issues; and (7) supporting New Mexico's efforts to settle the Texas v. New Mexico original action in the Supreme Court.

Overview of Request:

LAP is proposing to replace trust fund revenue reliance with general fund for this program in order to return the trust funds to their statutory purposes.

The significant programmatic changes proposed by LAP are:

 * The agency is requesting an expansion to initiate the significant undertaking of adjudicating middle Rio Grande basin water rights. LAP is requesting 8 legal and technical expert positions to complete the work.

Programmatic Changes:

All significant programmatic changes are proposed within its adjudication expansion request and adjudication special. LAP is preparing a strategic roadmap for the acceleration of pending adjudications as well as the initiation of the long-awaited Middle Rio Grande adjudication effort. These proposed changes align with agency priorities and would be tracked by and advance LAP’s existing performance measures.

P-1 Program Overview

BU	PCode
55000	P553

Base Budget Justification: LAP is requesting 3 base increases to cover GIS Software License increases, increased administrative costs associated with program growth, and its growing office space needs in Albuquerque and Las Cruces.

S-8 Financial Summary

(Dollars in Thousands)

BU	PCode	Department
55000	P553	000000

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
REVENUE								
111	General Fund Transfers	4,349.2	4,569.7	4,855.7	0.0	7,954.9	1,178.3	9,133.2
112	Other Transfers	2,569.3	2,569.3	2,729.2	0.0	0.0	0.0	0.0
130	Other Revenues	2,869.1	2,869.1	2,907.1	0.0	2,907.1	0.0	2,907.1
REVENUE, TRANSFERS		**9,787.6**	**10,008.1**	**10,492.0**	**0.0**	**10,862.0**	**1,178.3**	**12,040.3**
REVENUE		**9,787.6**	**10,008.1**	**10,492.0**	**0.0**	**10,862.0**	**1,178.3**	**12,040.3**
EXPENSE								
200	Personal services and employee benefits	7,515.7	6,786.0	8,190.1	10,130.0	8,190.1	1,178.3	9,368.4
300	Contractual services	1,635.8	951.1	1,635.8	0.0	1,635.8	0.0	1,635.8
400	Other	556.1	473.5	586.1	0.0	956.1	0.0	956.1
EXPENDITURES		**9,707.6**	**8,210.7**	**10,412.0**	**10,130.01**	**10,782.0**	**1,178.3**	**11,960.3**
500	Other financing uses	80.0	0.0	80.0	0.0	80.0	0.0	80.0
OTHER FINANCING USES		**80.0**	**0.0**	**80.0**	**0**	**80.0**	**0.0**	**80.0**
EXPENSE		**9,787.6**	**8,210.7**	**10,492.0**	**10,130.01**	**10,862.0**	**1,178.3**	**12,040.3**
FTE POSITIONS								
810	Permanent	68.00	56.00	69.00	75.00	69.00	8.00	77.00
830	Temporary	8.00	0.00	10.00	0.00	10.00	0.00	10.00
FTEs		**76.00**	**56.00**	**79.00**	**75.00**	**79.00**	**8.00**	**87.00**
FTE POSITIONS		**76.00**	**56.00**	**79.00**	**75.00**	**79.00**	**8.00**	**87.00**

BU	PCode	Department
55000	P553	000000

S-9 Account Code Revenue/Expenditure Summary
(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
499105	General Fd. Appropriation	4,349.2	4,569.7	4,855.7	0.0	7,954.9	1,178.3	9,133.2
111	**General Fund Transfers**	**4,349.2**	**4,569.7**	**4,855.7**	**0.0**	**7,954.9**	**1,178.3**	**9,133.2**
499905	Other Financing Sources	0.0	0.0	0.0	0.0	0.0	0.0	0.0
499906	OFS - INTRA-Agency	2,569.3	2,569.3	2,729.2	0.0	0.0	0.0	0.0
499910	O/F Sources - CU	0.0	0.0	0.0	0.0	0.0	0.0	0.0
112	**Other Transfers**	**2,569.3**	**2,569.3**	**2,729.2**	**0.0**	**0.0**	**0.0**	**0.0**
496901	Miscellaneous Revenue	2,869.1	2,869.1	2,907.1	0.0	2,907.1	0.0	2,907.1
130	**Other Revenues**	**2,869.1**	**2,869.1**	**2,907.1**	**0.0**	**2,907.1**	**0.0**	**2,907.1**
TOTAL REVENUE		**9,787.6**	**10,008.1**	**10,492.0**	**0.0**	**10,862.0**	**1,178.3**	**12,040.3**
520100	Exempt Perm Positions P/T&F/T	3,730.5	162.9	240.9	165.3	240.9	0.0	240.9
520200	Term Positions	0.0	0.0	159.9	0.0	0.0	0.0	0.0
520300	Classified Perm Positions F/T	1,655.0	4,515.9	5,729.3	7,228.6	5,886.2	884.5	6,770.7
520500	Temporary Positions F/T & P/T	213.3	99.7	81.5	2.9	81.5	0.0	81.5
520600	Paid Unused Sick Leave	0.0	2.1	0.0	0.0	0.0	0.0	0.0
520700	Overtime & Other Premium Pay	0.0	40.3	0.0	0.0	0.0	0.0	0.0
520800	Annl & Comp Paid At Separation	0.0	21.4	0.0	0.0	0.0	0.0	0.0
521100	Group Insurance Premium	304.2	544.9	404.3	790.3	403.7	49.1	452.8
521200	Retirement Contributions	1,073.5	901.3	1,043.1	1,339.8	1,043.1	168.5	1,211.6
521300	F I C A	372.6	360.3	348.7	455.1	348.7	54.3	403.0
521400	Workers' Comp Assessment Fee	0.0	0.5	0.0	0.0	0.0	0.0	0.0
521410	GSD Work Comp Insur Premium	25.9	25.9	33.6	0.0	34.2	0.0	34.2
521600	Employee Liability Ins Premium	16.5	16.5	32.7	0.0	35.7	0.0	35.7
521700	RHC Act Contributions	124.2	94.4	116.1	148.0	116.1	21.9	138.0
200	**Personal services and employee benef**	**7,515.7**	**6,786.0**	**8,190.1**	**10,130.0**	**8,190.1**	**1,178.3**	**9,368.4**
535200	Professional Services	38.0	24.0	38.0	0.0	38.0	0.0	38.0
535300	Other Services	15.0	127.7	15.0	0.0	15.0	0.0	15.0
535500	Attorney Services	1,582.8	799.5	1,582.8	0.0	1,582.8	0.0	1,582.8
300	**Contractual services**	**1,635.8**	**951.1**	**1,635.8**	**0.0**	**1,635.8**	**0.0**	**1,635.8**
542100	Employee I/S Mileage & Fares	1.2	0.2	0.9	0.0	0.9	0.0	0.9
542200	Employee I/S Meals & Lodging	11.5	6.9	7.5	0.0	12.5	0.0	12.5
542500	Transp - Fuel & Oil	5.0	2.8	2.0	0.0	5.0	0.0	5.0
542600	Transp - Parts & Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0
542800	State Transp Pool Charges	29.1	26.6	22.0	0.0	35.0	0.0	35.0

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
543200	Maint - Furn, Fixt, Equipment	2.0	0.1	0.8	0.0	0.8	0.0	0.8
543300	Maint - Buildings & Structures	1.5	0.3	0.5	0.0	1.5	0.0	1.5
543710	Other Service - Non-Contractual	0.0	0.8	0.0	0.0	1.0	0.0	1.0
543830	IT HW/SW Agreements	87.0	53.4	87.0	0.0	157.0	0.0	157.0
544000	Supply Inventory IT	17.8	1.7	4.8	0.0	4.8	0.0	4.8
544100	Supplies-Office Supplies	9.0	14.4	9.0	0.0	19.0	0.0	19.0
544400	Supplies-Field Supplies	0.0	0.0	0.5	0.0	0.5	0.0	0.5
544700	Supplies-Clothng,Unifrms,Linen	0.0	2.1	1.0	0.0	4.0	0.0	4.0
544900	Supplies-Inventory Exempt	5.0	2.8	2.0	0.0	7.0	0.0	7.0
545600	Reporting & Recording	0.0	(3.2)	1.0	0.0	1.0	0.0	1.0
545700	ISD Services	39.2	40.6	60.0	0.0	67.6	0.0	67.6
545710	DOIT HCM Assessment Fees	22.9	24.8	30.0	0.0	27.4	0.0	27.4
545900	Printing & Photo Services	13.0	0.8	5.0	0.0	5.0	0.0	5.0
546100	Postage & Mail Services	1.5	0.0	6.0	0.0	11.0	0.0	11.0
546400	Rent Of Land & Buildings	65.3	67.8	66.0	0.0	318.4	0.0	318.4
546500	Rent Of Equipment	31.0	44.4	32.1	0.0	49.7	0.0	49.7
546610	DOIT Telecommunications	82.4	88.4	99.3	0.0	101.8	0.0	101.8
546700	Subscriptions/Dues/License Fee	85.0	62.3	80.4	0.0	60.4	0.0	60.4
546800	Employee Training & Education	30.0	21.1	29.6	0.0	19.6	0.0	19.6
546900	Advertising	1.5	4.2	3.5	0.0	3.5	0.0	3.5
547900	Miscellaneous Expense	1.2	0.8	1.2	0.0	1.2	0.0	1.2
547999	Request to Pay Prior Year	0.0	3.8	0.0	0.0	0.0	0.0	0.0
548300	Information Tech Equipment	0.0	0.0	18.5	0.0	18.0	0.0	18.0
549600	Employee O/S Mileage & Fares	5.0	3.8	6.5	0.0	9.5	0.0	9.5
549700	Employee O/S Meals & Lodging	9.0	1.6	9.0	0.0	13.0	0.0	13.0
400	**Other**	**556.1**	**473.5**	**586.1**	**0.0**	**956.1**	**0.0**	**956.1**
555100	Other Financing Uses	80.0	0.0	80.0	0.0	80.0	0.0	80.0
500	**Other financing uses**	**80.0**	**0.0**	**80.0**	**0.0**	**80.0**	**0.0**	**80.0**
TOTAL EXPENSE		**9,787.6**	**8,210.7**	**10,492.0**	**10,130.0**	**10,862.0**	**1,178.3**	**12,040.3**
810	Permanent	68.00	56.00	69.00	75.00	69.00	8.00	77.00
810	**Permanent**	**68.00**	**56.00**	**69.00**	**75.00**	**69.00**	**8.00**	**77.00**
830	Temporary	8.00	0.00	10.00	0.00	10.00	0.00	10.00
830	**Temporary**	**8.00**	**0.00**	**10.00**	**0.00**	**10.00**	**0.00**	**10.00**
TOTAL FTE POSITIONS		**76.00**	**56.00**	**79.00**	**75.00**	**79.00**	**8.00**	**87.00**

REV EXP COMPARISON

(Dollars in Thousands)

55000 - State Engineer

P553 - Litigation and Adjudication

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES Totals	**9,133.2**	**2,907.1**	**0.0**	**0.0**	**12,040.3**
Personal services and employee benefits	6,661.3	2,707.1	0.0	0.0	9,368.4
Contractual services	1,635.8	0.0	0.0	0.0	1,635.8
Other	836.1	120.0	0.0	0.0	956.1
Other financing uses	0.0	80.0	0.0	0.0	80
USES Total:	**9,133.2**	**2,907.1**	**0.0**	**0.0**	**12,040.3**
Net:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

BU	PCode	Department
55000	P553	000000

EB-1 Expansion Justifications

(Dollars in Thousands)

Middle Rio Grande Adjudication Staff

Rank: 0

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	1178.3	0.0	0.0	0.0	1178.3	0.0
REVENUE, TRANSFERS	**1178.3**	**0.0**	**0.0**	**0.0**	**1178.3**	**0.0**
Personal services and employee b	1178.3	0.0	0.0	0.0	1178.3	0.0
EXPENDITURES	**1178.3**	**0.0**	**0.0**	**0.0**	**1178.3**	**0.0**
Permanent	0	0	0	0	8	
FTEs	**0**	**0**	**0**	**0**	**8**	**0**

Brief Description:

The Middle Rio Grande is the largest stream system remaining in New Mexico for which a stream system adjudication has not been conducted. The OSE is statutorily required to conduct stream system adjudications, but it is not currently staffed to begin an adjudication of the Middle Rio Grande. In addition, the Six Middle Rio Grande Pueblos have unresolved water rights claims. Any settlement of those water rights claims would need to be embodied in a decree that would be binding on all water rights holders in the stream system, and an adjudication is the procedural mechanism for such a decree.

Legislative Change: ___

Session Law Citation:

Legal Settlement: ___

Case Number or Citation:

BU	PCode	Department
55000	P553	000000

EB-2 Expansion Fiscal Summary
(Dollars in Thousands)

Middle Rio Grande Adjudication Staff

Rank: 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
111	General Fund Transfers	1178.3	0.0	0.0	0.0	1178.3	0.0
REVENUE, TRANSFERS		**1178.3**	**0.0**	**0.0**	**0.0**	**1178.3**	**0.0**
200	Personal services and employee benefits	1178.3	0.0	0.0	0.0	1178.3	0.0
EXPENDITURES		**1178.3**	**0.0**	**0.0**	**0.0**	**1178.3**	**0.0**
810	Permanent	0	0	0	0	8	0.0
FTEs		**0**	**0**	**0**	**0**	**8**	**0**

BU	PCode	Department
55000	P553	000000

EB-3 Expansion Line Item Detail

(Dollars in Thousands)

Middle Rio Grande Adjudication Staff

Rank: 0

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
520300	Classified Perm Positions F/T	884.5	0.0	0.0	0.0	884.5	0.0
521100	Group Insurance Premium	49.1	0.0	0.0	0.0	49.1	0.0
521200	Retirement Contributions	168.5	0.0	0.0	0.0	168.5	0.0
521300	F I C A	54.3	0.0	0.0	0.0	54.3	0.0
521700	RHC Act Contributions	21.9	0.0	0.0	0.0	21.9	0.0
200	**Personal services and employee benefits**	**1178.3**	**0.0**	**0.0**	**0.0**	**1178.3**	**0.0**
Total for Middle Rio Grande Adjudication Staff		**1178.3**	**0.0**	**0.0**	**0.0**	**1178.3**	**0.0**

Legislating for Results: **Budget Development Tool**

Agency Expansion Request Justification

New Mexico agencies making significant requests to expand agency budgets, other than workload changes, or for large special appropriations that appear to expand an agency's recurring budget are being asked to assess the proposals and report on their purpose, potential for success, and plans for implementation and accountability in accordance with the Budget Guidelines of the New Mexico Legislative Finance Committee (LFC) and LFC's Legislating for Results Framework.

1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

2 Needs Assessment

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

4 Research and Evidence

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

6 Fidelity Plan

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: Office of the State Engineer

Short Title of Request: Middle Rio Grande adjudication staff

Point of contact for follow-up information:

Name: Nat Chakeres

Title: General Counsel

Phone:505-231-4459

E-Mail:Nathaniel.chakeres@ose.nm.gov

Is the requested expansion solely the result of a workload change? No

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

The OSE will need approximately eight new FTEs – four attorneys and four hydrographic survey staff – to staff a new bureau for the Middle Rio Grande Adjudication.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

a. Why is this expansion needed and what problem or need it is attempting to address?

The Middle Rio Grande is the largest stream system remaining in New Mexico for which a stream system adjudication has not been conducted. The OSE is statutorily required to conduct stream system adjudications, but it is not currently staffed to begin an adjudication of the Middle Rio Grande. In addition, the Six Middle Rio Grande Pueblos have unresolved water rights claims. Any settlement of those water rights claims would need to be embodied in a decree that would be binding on all water rights holders in the stream system, and an adjudication is the procedural mechanism for such a decree.

b. How does this request differ from existing programming?

Existing staff are occupied working on existing adjudications.

c. How does the requested program fit into the agency's strategic plan?

This will assist the agency in completing all adjudications in the state, and it will assist the agency in completing Indian Water Rights Settlements.

d. Has the agency developed a logic model describing the agency's theory of change?

No

e. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.

2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

a. What is the extent of the problem to be addressed?

The Middle Rio Grande has tens of thousands of water rights holders and claimants. The precise number will be ascertained in a hydrographic survey.

b. What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

The geographic scope of the adjudication will extend from either Otowi gauge or Cochiti Reservoir down through Bosque del Apache Wildlife Refuge. The number of water rights is in the tens of thousands, and the total extent of the water rights is several hundred thousand acre-feet. This area includes six pueblos, as well as over half of the residents of New Mexico. Many water rights holders in the middle Rio Grande, including in the South Valley, are in historically underserved areas.

c. What percentage of the previously identified total statewide need does this request seek to address?

This request represents the entirety of the need for this adjudication. The middle Rio Grande is the largest remaining water use area by quantity in which an adjudication has not been started.

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

a. How much is the agency's request for FY28 and from what source is the agency requesting additional funding?

$1,178,300 is requested from the General Fund as expansion funding to support addition of four attorneys and four water resources positions to be dedicated to the Middle Rio Grande Adjudication effort.

FTE positions requested for:
1 Lead Water Resources Professional
1 Senior Water Resources Professional
2 Water Resources Professionals
3 Attorneys
1 Supervisor Attorney

b. Provide a list of specific activities that will be carried out if this request is granted.

Conduct a hydrographic survey of the middle Rio Grande; commence a comprehensive stream system adjudication in the middle Rio Grande; litigate stream system issues common to all water rights in the area; make offers and, if necessary, litigate the claims of individual water rights claimants.

c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

Lead Water Resources Professional (Job Code EWRP30):	**projected midpoint of $167.6k each**
Senior Water Resources Professional (Job Code EWRP26):	**projected midpoint of $146.6k each**
Water Resources Professionals (Job Code EWRP23):	**projected midpoint of $128.3k each**
Attorneys (Job Code LLLA45):	**projected midpoint of $146.6k each**
Attorney Supervisor (Job Code LLLS45):	**projected midpoint of $167.6k each**

d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

The most recent Indian Water Rights Settlements awaiting Congressional approval include federal funding averaging greater than $500 million per Pueblo. For the six Middle Rio Grande Pueblos, New Mexico will not receive this federal funding if we do not have an adjudication that can adopt a decree recognizing the Pueblos' water rights.

e. Does the agency anticipate additional increases above the FY26 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

This is the full request for the effort.

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

a. As defined in New Mexico's Accountability in Government Act, specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

None

b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by clearinghouse databases.

No research available.

c. How will you evaluate the program to confirm your categorization?

We have existing performance measures to track progress in adjudications. If this request is funded, we will work with the LFC to update those performance measures to capture goals for the middle Rio Grande adjudication based on our experience tracking progress on other adjudications.

5. Implementation Plan

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

a. What are the training and startup requirements for the proposed program?

Staff will need to be trained in how to conduct a hydrographic survey and how to conduct an adjudication. We currently have multiple active bureaus conducting these activities, so we should be able to perform this training in-house.

b. Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

The current vacancy rate for LAP is approximately 20%, but not all of those positions are funded. All of our funded vacancies are currently being posted for filling other existing LAP obligations. The hydrographic survey would likely take at least 3-4 years to complete based on other hydrographic surveys. The adjudication will likely take at least 10 years, although we are piloting proposals that would hopefully shorten that timeframe significantly. There is substantial uncertainty, as the adjudication timetable depends upon unknowns outside of the agency's control, including the litigation positions that other parties take and the procedural rulings of the judge presiding over the adjudication.

6. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

a. Describe key components critical to the success of your program.

Components include whether a hydrographic survey is completed, and whether the adjudication team can process subfiles on the expected timeline.

b. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable.

Specific metrics will include a timetable for the completion of the hydrographic survey, as well as existing performance measures regarding offers sent out to water rights holders and adoption of partial final judgments and decrees.

7. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

a. What measurable outcome is the agency trying to achieve with the requested expansion?

Completion of an adjudication of the middle Rio Grande.

b. Will the requested program affect any existing performance measures?

Yes

i. If yes, which performance measures will be affected?

Number of subfile offers made, proportion of partial final judgments and decrees entered.

c. What program outputs will the agency measure?

Same outputs, but we will increase the targets.

d. What efficiency metrics will the agency monitor?

We do not have efficiency metrics – instead we have temporal deadlines that we will seek to meet.

e. Does the agency have baseline data for the proposed measures?

No

i. If yes, please provide baseline data.

Click or tap here to enter text.

ii. If no, when and how does the agency anticipate collecting baseline data?

When the adjudication begins, we will be able to begin collecting data.

f. How often will the agency collect and report on these performance metrics?

Quarterly.

g. How do you plan to share the results of your program with the public and the Legislature?

We currently report on adjudication results annually.

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
00000	520300	Classified Perm Positions F/T	0.0	0.0	378.28	0.0	0.0	0.0	0.0	0.0	Salary for Classified FTEs
00000	521100	Group Insurance Premium	0.0	0.0	25.78	0.0	0.0	0.0	0.0	0.0	Insurance
00000	521200	Retirement Contributions	0.0	0.0	72.22	0.0	0.0	0.0	0.0	0.0	
00000	521300	F I C A	0.0	0.0	23.27	0.0	0.0	0.0	0.0	0.0	FICA Contribution
00000	521700	RHC Act Contributions	0.0	0.0	9.38	0.0	0.0	0.0	0.0	0.0	RHC Act Contributions
21400	520100	Exempt Perm Positions P/T&F/T	162.9	240.9	165.26	240.9	0.0	0.0	0.0	240.9	Salary for Exempt FTEs
21400	520200	Term Positions	0.0	159.9	0	0.0	0.0	0.0	0.0	0.0	
21400	520300	Classified Perm Positions F/T	4,515.9	5,729.3	6,850.37	3,695.6	2,190.6	0.0	0.0	5,886.2	Salary for Classified FTEs
21400	520500	Temporary Positions F/T & P/T	99.7	81.5	2.9	81.5	0.0	0.0	0.0	81.5	
21400	520600	Paid Unused Sick Leave	2.1	0.0	0	0.0	0.0	0.0	0.0	0.0	
21400	520700	Overtime & Other Premium Pay	40.3	0.0	0	0.0	0.0	0.0	0.0	0.0	
21400	520800	Annl & Comp Paid At Separation	21.4	0.0	0	0.0	0.0	0.0	0.0	0.0	
21400	521100	Group Insurance Premium	544.9	404.3	764.5	328.9	74.8	0.0	0.0	403.7	Insurance
21400	521200	Retirement Contributions	901.3	1,043.1	1,267.62	763.3	279.8	0.0	0.0	1,043.1	
21400	521300	F I C A	360.3	348.7	431.82	228.4	120.3	0.0	0.0	348.7	FICA Contribution
21400	521400	Workers' Comp Assessment Fee	0.5	0.0	0	0.0	0.0	0.0	0.0	0.0	Workers' Comp Assessment Fee
21400	521410	GSD Work Comp Insur Premium	25.9	33.6	0	34.2	0.0	0.0	0.0	34.2	Unemployment Comp Premium
21400	521600	Employee Liability Ins Premium	16.5	32.7	0	35.7	0.0	0.0	0.0	35.7	Employee Liability Ins Premium
21400	521700	RHC Act Contributions	94.4	116.1	138.61	74.5	41.6	0.0	0.0	116.1	RHC Act Contributions
	200	**Personal services and employee benef**	**6,786.0**	**8,190.1**	**10,130.01**	**5,483.0**	**2,707.1**	**0.0**	**0.0**	**8,190.1**	
21400	542100	Employee I/S Mileage & Fares	0.2	0.9	0	0.9	0.0	0.0	0.0	0.9	Employees are required to travel for field operations and for court appearances in the adjudication process. Leased vehicles are not available at times, and so mileage must be paid.
21400	542200	Employee I/S Meals & Lodging	6.9	7.5	0	12.5	0.0	0.0	0.0	12.5	Employees are required to travel for field operations and for court appearances in the adjudication process; requested at the estimated level of activity given the drought and the various stages in the process each adjudication is in.
21400	542500	Transp - Fuel & Oil	2.8	2.0	0	5.0	0.0	0.0	0.0	5.0	Fuel charges for the leased vehicles employees are required to take for field operations and for court appearances in the adjudication process.
21400	542600	Transp - Parts & Supplies	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	0
21400	542800	State Transp Pool Charges	26.6	22.0	0	35.0	0.0	0.0	0.0	35.0	Leased Vehicles

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
21400	543200	Maint - Furn, Fixt, Equipment	0.1	0.8	0	0.8	0.0	0.0	0.0	0.8	Office Equipment - repair and purchase and excess copy charges on copier equipment
21400	543300	Maint - Buildings & Structures	0.3	0.5	0	1.5	0.0	0.0	0.0	1.5	various maintenance on buildings
21400	543710	Other Service - Non-Contractual	0.8	0.0	0	1.0	0.0	0.0	0.0	1.0	0
21400	543830	IT HW/SW Agreements	53.4	87.0	0	80.0	77.0	0.0	0.0	157.0	70.0 increase for ESRI renegotiation / renewal Software Ageements for LAP IT hardware
21400	544000	Supply Inventory IT	1.7	4.8	0	0.8	4.0	0.0	0.0	4.8	Purchase of ink cartridges and other IT supplies
21400	544100	Supplies-Office Supplies	14.4	9.0	0	10.0	9.0	0.0	0.0	19.0	To provide office supplies consumed in the normal operations of the program, including copier paper, envelopes for adjudication mail-outs of offers and other related documents, file folders, etc.; these supplies are an essential component of the program's ability to meet the performance standards placed on it by both the legislative and the judicial branches.
21400	544400	Supplies-Field Supplies	0.0	0.5	0	0.5	0.0	0.0	0.0	0.5	0
21400	544700	Supplies-Clothng,Unifrms,Linen	2.1	1.0	0	4.0	0.0	0.0	0.0	4.0	
21400	544900	Supplies-Inventory Exempt	2.8	2.0	0	7.0	0.0	0.0	0.0	7.0	Misc. IT equipment
21400	545600	Reporting & Recording	(3.2)	1.0	0	1.0	0.0	0.0	0.0	1.0	0
21400	545700	ISD Services	40.6	60.0	0	37.6	30.0	0.0	0.0	67.6	0
21400	545710	DOIT HCM Assessment Fees	24.8	30.0	0	27.4	0.0	0.0	0.0	27.4	DOIT HCM Fees
21400	545900	Printing & Photo Services	0.8	5.0	0	5.0	0.0	0.0	0.0	5.0	For professional printing service not available in house and required in the normal operations of the program.
21400	546100	Postage & Mail Services	0.0	6.0	0	11.0	0.0	0.0	0.0	11.0	For the postage required in mailout of service packets in the adjudications: these packets must be served via certified mail per court order.
21400	546400	Rent Of Land & Buildings	67.8	66.0	0	318.4	0.0	0.0	0.0	318.4	200.0 increase for additional office space needs and price escalations Rent required for existing office space
21400	546500	Rent Of Equipment	44.4	32.1	0	49.7	0.0	0.0	0.0	49.7	Provides for the rent of office equipment utilized in the LAP administrative offices in support of the water right adjudications
21400	546610	DOIT Telecommunications	88.4	99.3	0	101.8	0.0	0.0	0.0	101.8	Amount requested is directed to be consistent with the published schedule. If an alternative amount is being requested, a justification must be provided.

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
21400	546700	Subscriptions/Dues/License Fee	62.3	80.4	0	60.4	0.0	0.0	0.0	60.4	Professional legal periodicals required for legal research; Bar Membership dues required for the program attorneys to remain certified by the state bar, other professional license fees.
21400	546800	Employee Training & Education	21.1	29.6	0	19.6	0.0	0.0	0.0	19.6	Continuing education requirements for the professional legal and engineering staff, as well as other required training such as defensive driving.
21400	546900	Advertising	4.2	3.5	0	3.5	0.0	0.0	0.0	3.5	Legal advertisement costs as required by the court.
21400	547900	Miscellaneous Expense	0.8	1.2	0	1.2	0.0	0.0	0.0	1.2	to provide staff with safe drinking water
21400	547999	Request to Pay Prior Year	3.8	0.0	0	0.0	0.0	0.0	0.0	0.0	
21400	548300	Information Tech Equipment	0.0	18.5	0	18.0	0.0	0.0	0.0	18.0	modernization of IT equipment
21400	549600	Employee O/S Mileage & Fares	3.8	6.5	0	9.5	0.0	0.0	0.0	9.5	For airfare necessary for trips to various out of state mandates including Indian settlement negotiations (DC), Western States Water Conferences, and other regional/national venues as demanded by obligations of the adjudications and associated litigation.
21400	549700	Employee O/S Meals & Lodging	1.6	9.0	0	13.0	0.0	0.0	0.0	13.0	For meals and lodging necessary for trips to various out of state mandates including Indian settlement negotiations (DC), Western States Water Conferences, and other regional/national venues as demanded by obligations of the adjudications and associated litigation.
	400	**Other**	**473.5**	**586.1**	**0**	**836.1**	**120.0**	**0.0**	**0.0**	**956.1**	
21400	555100	Other Financing Uses	0.0	80.0	0	0.0	0.0	0.0	0.0	0.0	0
	500	**Other financing uses**	**0.0**	**80.0**	**0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
	TOTAL EXPENSE		**7,259.6**	**8,856.2**		**6,319.1**	**2,827.1**	**0.0**	**0.0**	**9,146.2**	

BU PCode
55000 P553

Contract by PCode Detail

(Dollars in Thousands)

Fund	Account		#	Contract Purpose	Actuals	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
21400	535200	Professional Services	1000	For Outsourcing Professional Services	24.0	38.0	0.0	0.0	0.0	38.0	For outsourcing professional services for co-mediation for the Ohkay Owingeh & Santa Clara Pueblo Water Rights Settlement efforts to resolve disputes in the Abbott & Aragon stream system adjudications
21400	535300	Other Services	1000	For outsourcing technical services	127.7	15.0	0.0	0.0	0.0	15.0	For outsourcing technical services for document shredding and legal courier
21400	535500	Attorney Services	1000	For outsourcing legal services	799.5	1,582.8	0.0	0.0	0.0	1,582.8	For outsourcing legal services in support of various adjudications and other litigations including negotiations
	TOTAL EXPENSE				**951.1**	**1,635.8**	**0.0**	**0.0**	**0.0**	**1,635.8**	

Program: P553 Litigation and Adjudication

Performance Measures:		2025-26 Target	2025-26 Result	Met Target	Year End Result Narrative
Explanatory	Number of cases docketed in the state engineer's hearing unit	N/A	43	N/A	The New Mexico State Engineer Hearing Unit ended FY26 with 43 active cases docketed
Outcome	Number of offers to defendants in adjudications	300	246	No	A review of the reporting procedures has revealed that prior reports omitted certain subfile offers that were sent under a procedural order for Stream System Issue 108. This FY 2026 Report retroactively adjusts the metrics by including these subfile offers beginning in Q1
Outcome	Percent of all water rights claims with judicial determinations	76%	67%	No	The Litigation and Adjudication Program (LAP) has been trying to delete this measure for a couple years. LAP proposes removing this performance measure. It is a somewhat flawed measure, because the denominator, i.e. the total number of water rights that need judicial determination, cannot be determined with precision before adjudications begin. Thus, the measure is based on assumptions and projections, and when those assumptions and projections must be modified somewhat, based on new information, the performance measure can take unexpected jumps. We believe that the fourth performance measure, ‘proportion of sections within each adjudication for which partial final judgment and decrees have been entered’, is a better measure of overall progress on completion of adjudications
Outcome	Percent of sections within each adjudication for which partial final judgment and decrees have been entered	25.0%	33.0%	Yes	The agency has met its target for FY26

Performance Measures Summary

P553 **Litigation and Adjudication**

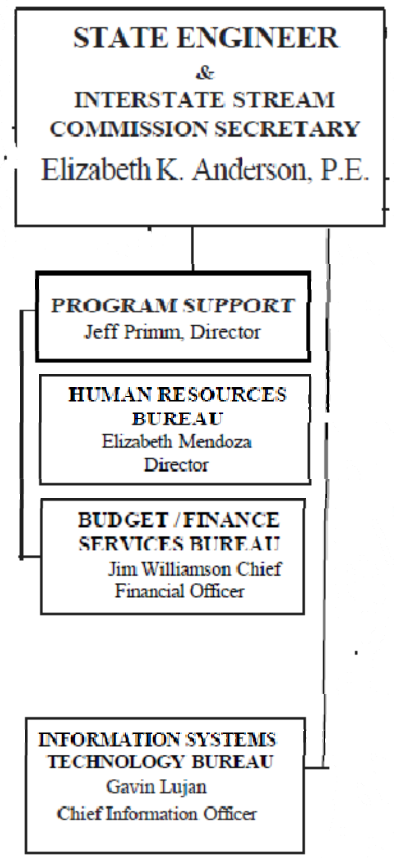
Purpose: The purpose of the litigation and adjudication program is to obtain a judicial determination and definition of water rights within each stream system and underground basin to effectively perform water rights administration and meet interstate stream obligations.

Performance Measures:		2024-25 Actual	2025-26 Actual	2026-27 Budget	2027-28 Request	2027-28 Recomm
Outcome	Number of offers to defendants in adjudications	328	246	330	330	
Outcome	Percent of all water rights claims with judicial determinations	67%	67%	76%	76%	
Outcome	Percent of sections within each adjudication for which partial final judgment and decrees have been entered	33.0%	33.0%	35.0%	35.0%	
Explanatory	Number of cases docketed in the state engineer's hearing unit	58	43	N/A	N/A	

Agency Name: Office of the State Engineer
Program Name: Program Support

Business Unit: 55000
Program Code: P554

APPROPRIATION REQUEST
ORGANIZATION CHART
FORM S-2



Program Description:

Program Support provides administrative and management support services to the Office of the State Engineer to allow for the efficient functioning of the agency. In addition to the agency executive appointees, the program has four bureaus: Finance, Budget Services, Information Technology Systems, and Human Resources. Together they oversee the agency's payroll, budget, contracts, fixed assets, accounting, procurement, property management, personnel management, workforce development and training, and information technology (IT). Additionally, the Hearing Unit, which falls within Program Support, conducts administrative hearings on protested and aggrieved water rights applications and enforcement actions.

Major Issues and Accomplishments:

As all four of the agency's programs are challenged to expand operationally to meet the challenges of drought and the implementation of new initiatives and programs, so grow the supportive functions demanded by the agency. Perhaps the most impactful agency-wide challenge on Program Support are the technological demands of modernization and data sharing efforts. Over the last year the IT group has significantly increased its efforts toward modernizing agency operations and systems. But there have also been impactful adjustments required in the areas of procurement, budget and finance in response to the growth in funding/programming; in HR with the growth in staff and internships; and even public relations due to drought. So far, Program Support functions have been able to absorb the workload, but growth may eventually be needed.

Overview of Request:

The Program is submitting a generally flat Base Budget for FY28 with a slight proposed increase for additional admin and audit costs.

Programmatic Changes:

The indirect programmatic changes related to Program Support are included within the IT C2 expansions for a database system replacement and an agency-wide intelligent document management initiative.

Base Budget Justification:

*Program Support's administrative costs to provide support functions to the agency's growing programs and initiatives have necessitated a request for additional funding to properly support the agency's growth and modernization needs.

*Program Support also budgeted for an increase to cover the audit contract cost increase for FY28.

BU	PCode	Department
55000	P554	000000

State of New Mexico

S-8 Financial Summary

(Dollars in Thousands)

	2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
REVENUE							
111 General Fund Transfers	6,365.2	6,620.6	6,664.7	0.0	6,871.4	0.0	6,871.4
112 Other Transfers	0.0	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE, TRANSFERS	**6,365.2**	**6,620.6**	**6,664.7**	**0.0**	**6,871.4**	**0.0**	**6,871.4**
REVENUE	**6,365.2**	**6,620.6**	**6,664.7**	**0.0**	**6,871.4**	**0.0**	**6,871.4**
EXPENSE							
200 Personal services and employee benefits	5,328.1	5,582.7	5,627.6	6,559.4	5,627.6	0.0	5,627.6
300 Contractual services	219.7	164.5	219.7	0.0	226.4	0.0	226.4
400 Other	817.4	778.7	817.4	0.0	1,017.4	0.0	1,017.4
EXPENDITURES	**6,365.2**	**6,525.8**	**6,664.7**	**6,559.38**	**6,871.4**	**0.0**	**6,871.4**
EXPENSE	**6,365.2**	**6,525.8**	**6,664.7**	**6,559.38**	**6,871.4**	**0.0**	**6,871.4**
FTE POSITIONS							
810 Permanent	47.00	38.00	47.00	48.00	47.00	0.00	47.00
830 Temporary	0.00	0.00	0.00	0.00	3.00	0.00	3.00
FTEs	**47.00**	**38.00**	**47.00**	**48.00**	**50.00**	**0.00**	**50.00**
FTE POSITIONS	**47.00**	**38.00**	**47.00**	**48.00**	**50.00**	**0.00**	**50.00**

BU	PCode	Department
55000	P554	000000

S-9 Account Code Revenue/Expenditure Summary

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
499105	General Fd. Appropriation	6,365.2	6,620.6	6,664.7	0.0	6,871.4	0.0	6,871.4
111	**General Fund Transfers**	**6,365.2**	**6,620.6**	**6,664.7**	**0.0**	**6,871.4**	**0.0**	**6,871.4**
499905	Other Financing Sources	0.0	0.0	0.0	0.0	0.0	0.0	0.0
112	**Other Transfers**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
TOTAL REVENUE		**6,365.2**	**6,620.6**	**6,664.7**	**0.0**	**6,871.4**	**0.0**	**6,871.4**
520100	Exempt Perm Positions P/T&F/T	382.1	558.2	769.2	581.2	769.2	0.0	769.2
520300	Classified Perm Positions F/T	3,438.7	3,327.8	3,316.9	4,196.6	3,320.1	0.0	3,320.1
520500	Temporary Positions F/T & P/T	0.0	4.5	0.0	0.7	0.0	0.0	0.0
520600	Paid Unused Sick Leave	0.0	6.3	0.0	0.0	0.0	0.0	0.0
520700	Overtime & Other Premium Pay	0.0	37.5	0.0	0.0	0.0	0.0	0.0
520800	Annl & Comp Paid At Separation	0.0	12.3	0.0	0.0	0.0	0.0	0.0
521100	Group Insurance Premium	327.5	369.2	371.8	473.3	371.8	0.0	371.8
521200	Retirement Contributions	83.8	745.0	772.4	917.2	772.4	0.0	772.4
521300	F I C A	873.4	290.2	246.7	291.3	246.7	0.0	246.7
521400	Workers' Comp Assessment Fee	3.5	0.4	3.5	0.0	3.9	0.0	3.9
521410	GSD Work Comp Insur Premium	80.5	80.4	24.9	0.0	23.3	0.0	23.3
521500	Unemployment Comp Premium	10.8	10.8	8.2	0.0	9.0	0.0	9.0
521600	Employee Liability Ins Premium	62.8	62.8	27.1	0.0	24.3	0.0	24.3
521700	RHC Act Contributions	65.0	77.4	86.9	99.1	86.9	0.0	86.9
200	**Personal services and employee benef**	**5,328.1**	**5,582.7**	**5,627.6**	**6,559.4**	**5,627.6**	**0.0**	**5,627.6**
535200	Professional Services	7.0	3.6	7.0	0.0	7.0	0.0	7.0
535300	Other Services	1.5	0.7	1.5	0.0	1.5	0.0	1.5
535400	Audit Services	80.0	81.8	80.0	0.0	86.7	0.0	86.7
535500	Attorney Services	15.0	0.0	15.0	0.0	15.0	0.0	15.0
535600	IT Services	116.2	78.4	116.2	0.0	116.2	0.0	116.2
300	**Contractual services**	**219.7**	**164.5**	**219.7**	**0.0**	**226.4**	**0.0**	**226.4**
542100	Employee I/S Mileage & Fares	6.0	4.9	6.0	0.0	10.6	0.0	10.6
542200	Employee I/S Meals & Lodging	5.0	4.3	6.0	0.0	9.7	0.0	9.7
542500	Transp - Fuel & Oil	1.0	1.0	1.0	0.0	3.0	0.0	3.0
542510	Electric Vehicle Charging Fee	0.0	0.0	0.0	0.0	0.2	0.0	0.2
542600	Transp - Parts & Supplies	0.5	0.0	0.5	0.0	0.5	0.0	0.5
542700	Transp - Transp Insurance	10.0	0.0	10.0	0.0	10.0	0.0	10.0
542800	State Transp Pool Charges	14.0	5.8	7.1	0.0	7.1	0.0	7.1

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
543200	Maint - Furn, Fixt, Equipment	1.0	1.9	4.0	0.0	4.0	0.0	4.0
543400	Maint - Property Insurance	0.1	0.0	0.1	0.0	0.1	0.0	0.1
543830	IT HW/SW Agreements	266.3	242.9	249.1	0.0	259.1	0.0	259.1
544000	Supply Inventory IT	115.0	169.7	129.0	0.0	189.0	0.0	189.0
544100	Supplies-Office Supplies	10.0	6.9	10.0	0.0	10.0	0.0	10.0
544400	Supplies-Field Supplies	1.0	0.9	1.0	0.0	1.0	0.0	1.0
544900	Supplies-Inventory Exempt	15.0	11.5	15.0	0.0	15.0	0.0	15.0
545600	Reporting & Recording	7.0	5.4	7.0	0.0	7.0	0.0	7.0
545700	ISD Services	28.8	31.6	48.8	0.0	46.1	0.0	46.1
545710	DOIT HCM Assessment Fees	16.9	18.2	24.4	0.0	18.7	0.0	18.7
545900	Printing & Photo Services	3.0	0.7	3.0	0.0	3.0	0.0	3.0
546100	Postage & Mail Services	10.0	33.2	10.0	0.0	40.0	0.0	40.0
546400	Rent Of Land & Buildings	54.4	75.6	54.4	0.0	130.0	0.0	130.0
546500	Rent Of Equipment	27.0	25.5	27.0	0.0	37.7	0.0	37.7
546610	DOIT Telecommunications	60.5	70.6	71.2	0.0	69.3	0.0	69.3
546700	Subscriptions/Dues/License Fee	44.9	38.7	44.9	0.0	44.9	0.0	44.9
546800	Employee Training & Education	6.0	13.6	6.0	0.0	16.0	0.0	16.0
546900	Advertising	2.0	0.0	2.0	0.0	2.0	0.0	2.0
547900	Miscellaneous Expense	2.0	4.5	2.0	0.0	5.5	0.0	5.5
547999	Request to Pay Prior Year	3.0	1.7	3.0	0.0	3.0	0.0	3.0
548300	Information Tech Equipment	90.0	0.0	54.3	0.0	54.3	0.0	54.3
549600	Employee O/S Mileage & Fares	7.0	5.4	12.0	0.0	12.0	0.0	12.0
549700	Employee O/S Meals & Lodging	10.0	4.1	8.6	0.0	8.6	0.0	8.6
400	**Other**	**817.4**	**778.7**	**817.4**	**0.0**	**1,017.4**	**0.0**	**1,017.4**
TOTAL EXPENSE		**6,365.2**	**6,525.8**	**6,664.7**	**6,559.4**	**6,871.4**	**0.0**	**6,871.4**
810	Permanent	47.00	38.00	47.00	48.00	47.00	0.00	47.00
810	**Permanent**	**47.00**	**38.00**	**47.00**	**48.00**	**47.00**	**0.00**	**47.00**
830	Temporary	0.00	0.00	0.00	0.00	3.00	0.00	3.00
830	**Temporary**	**0.00**	**0.00**	**0.00**	**0.00**	**3.00**	**0.00**	**3.00**
TOTAL FTE POSITIONS		**47.00**	**38.00**	**47.00**	**48.00**	**50.00**	**0.00**	**50.00**

REV EXP COMPARISON

(Dollars in Thousands)

55000 - State Engineer

P554 - Program Support

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES Totals	**6,871.4**	**0.0**	**0.0**	**0.0**	**6,871.4**
Personal services and employee benefits	5,627.6	0.0	0.0	0.0	5,627.6
Contractual services	226.4	0.0	0.0	0.0	226.4
Other	1,017.4	0.0	0.0	0.0	1,017.4
USES Total:	**6,871.4**	**0.0**	**0.0**	**0.0**	**6,871.4**
Net:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
00000	520300	Classified Perm Positions F/T	0.0	0.0	501.25	0.0	0.0	0.0	0.0	0.0	
00000	521100	Group Insurance Premium	0.0	0.0	39.05	0.0	0.0	0.0	0.0	0.0	
00000	521200	Retirement Contributions	0.0	0.0	105.99	0.0	0.0	0.0	0.0	0.0	
00000	521300	F I C A	0.0	0.0	30.84	0.0	0.0	0.0	0.0	0.0	
00000	521700	RHC Act Contributions	0.0	0.0	13.5	0.0	0.0	0.0	0.0	0.0	
21400	520100	Exempt Perm Positions P/T&F/T	558.2	769.2	581.22	769.2	0.0	0.0	0.0	769.2	Salary for Exempt FTEs
21400	520300	Classified Perm Positions F/T	3,327.8	3,316.9	3,695.38	3,320.1	0.0	0.0	0.0	3,320.1	Salary for Classified FTEs
21400	520500	Temporary Positions F/T & P/T	4.5	0.0	0.67	0.0	0.0	0.0	0.0	0.0	0
21400	520600	Paid Unused Sick Leave	6.3	0.0	0	0.0	0.0	0.0	0.0	0.0	
21400	520700	Overtime & Other Premium Pay	37.5	0.0	0	0.0	0.0	0.0	0.0	0.0	
21400	520800	Annl & Comp Paid At Separation	12.3	0.0	0	0.0	0.0	0.0	0.0	0.0	
21400	521100	Group Insurance Premium	369.2	371.8	434.24	371.8	0.0	0.0	0.0	371.8	Insurance
21400	521200	Retirement Contributions	745.0	772.4	811.17	772.4	0.0	0.0	0.0	772.4	
21400	521300	F I C A	290.2	246.7	260.46	246.7	0.0	0.0	0.0	246.7	FICA Contribution
21400	521400	Workers' Comp Assessment Fee	0.4	3.5	0	3.9	0.0	0.0	0.0	3.9	Workers' Comp Assessment Fee
21400	521410	GSD Work Comp Insur Premium	80.4	24.9	0	23.3	0.0	0.0	0.0	23.3	GSD Work Comp Insur Premium
21400	521500	Unemployment Comp Premium	10.8	8.2	0	9.0	0.0	0.0	0.0	9.0	Unemployment Comp Premium
21400	521600	Employee Liability Ins Premium	62.8	27.1	0	24.3	0.0	0.0	0.0	24.3	Employee Liability Ins Premium
21400	521700	RHC Act Contributions	77.4	86.9	85.61	86.9	0.0	0.0	0.0	86.9	RHC Act Contributions
	200	**Personal services and employee benef**	**5,582.7**	**5,627.6**	**6,559.38**	**5,627.6**	**0.0**	**0.0**	**0.0**	**5,627.6**	
21400	542100	Employee I/S Mileage & Fares	4.9	6.0	0	10.6	0.0	0.0	0.0	10.6	Travel for meetings and to support district offices
21400	542200	Employee I/S Meals & Lodging	4.3	6.0	0	9.7	0.0	0.0	0.0	9.7	In-State meals and lodging for travel to meetings and district offices
21400	542500	Transp - Fuel & Oil	1.0	1.0	0	3.0	0.0	0.0	0.0	3.0	Estimated fuel costs for currently leased vehicles
21400	542510	Electric Vehicle Charging Fee	0.0	0.0	0	0.2	0.0	0.0	0.0	0.2	0
21400	542600	Transp - Parts & Supplies	0.0	0.5	0	0.5	0.0	0.0	0.0	0.5	Estimated parts costs for currently leased vehicles
21400	542700	Transp - Transp Insurance	0.0	10.0	0	10.0	0.0	0.0	0.0	10.0	Estimated insurance costs for currently leased vehicles
21400	542800	State Transp Pool Charges	5.8	7.1	0	7.1	0.0	0.0	0.0	7.1	Vehicle lease costs
21400	543200	Maint - Furn, Fixt, Equipment	1.9	4.0	0	4.0	0.0	0.0	0.0	4.0	Maintenance on copier, postage machine and security systems
21400	543400	Maint - Property Insurance	0.0	0.1	0	0.1	0.0	0.0	0.0	0.1	Property insurance

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
21400	543830	IT HW/SW Agreements	242.9	249.1	0	259.1	0.0	0.0	0.0	259.1	Consolidated funding for all OSE and ISC hardware maintenance agreements including new SAN system, left hand servers, and other IT equipment, as well as software agreement maintenance. (due to variation in DFA auditor determinations these costs sometimes migrate year to year between anticipated account codes and actual account codes)
21400	544000	Supply Inventory IT	169.7	129.0	0	189.0	0.0	0.0	0.0	189.0	IT supplies under $5,000 (printers, computers, monitors, software licenses, cables, toner cartridges).
21400	544100	Supplies-Office Supplies	6.9	10.0	0	10.0	0.0	0.0	0.0	10.0	Office supplies needed to meet Program Support's minimum recurring need.
21400	544400	Supplies-Field Supplies	0.9	1.0	0	1.0	0.0	0.0	0.0	1.0	0
21400	544900	Supplies-Inventory Exempt	11.5	15.0	0	15.0	0.0	0.0	0.0	15.0	Misc. small purchases
21400	545600	Reporting & Recording	5.4	7.0	0	7.0	0.0	0.0	0.0	7.0	Media monitoring and information service
21400	545700	ISD Services	31.6	48.8	0	46.1	0.0	0.0	0.0	46.1	GSD determined cost for ISC services
21400	545710	DOIT HCM Assessment Fees	18.2	24.4	0	18.7	0.0	0.0	0.0	18.7	GSD determined cost for HCM Assesment Fees
21400	545900	Printing & Photo Services	0.7	3.0	0	3.0	0.0	0.0	0.0	3.0	Printing and Photo services for Hearings unit
21400	546100	Postage & Mail Services	33.2	10.0	0	40.0	0.0	0.0	0.0	40.0	Funding for anticipated postage needs of the program including potential big mailings for Hearings Unit cases
21400	546400	Rent Of Land & Buildings	75.6	54.4	0	130.0	0.0	0.0	0.0	130.0	Request reflects Program Support's share of lease commitments in Albuquerque including escalation.
21400	546500	Rent Of Equipment	25.5	27.0	0	37.7	0.0	0.0	0.0	37.7	Requested funding is for lease of three copiers and postage machine including escalations.
21400	546610	DOIT Telecommunications	70.6	71.2	0	69.3	0.0	0.0	0.0	69.3	GSD determined cost for DoIt Telecom
21400	546700	Subscriptions/Dues/License Fee	38.7	44.9	0	44.9	0.0	0.0	0.0	44.9	Western States Water Council Dues and IT subscriptions
21400	546800	Employee Training & Education	13.6	6.0	0	16.0	0.0	0.0	0.0	16.0	Funding is requested for in-person professional and technical training
21400	546900	Advertising	0.0	2.0	0	2.0	0.0	0.0	0.0	2.0	For use in advertizing of meetings
21400	547900	Miscellaneous Expense	4.5	2.0	0	5.5	0.0	0.0	0.0	5.5	Water delivery service to provide staff with safe drinking water as pipes in the Lew Wallace building are very old.
21400	547999	Request to Pay Prior Year	1.7	3.0	0	3.0	0.0	0.0	0.0	3.0	
21400	548300	Information Tech Equipment	0.0	54.3	0	54.3	0.0	0.0	0.0	54.3	Team Viewer Subscription, Network Components, Enterprise Agreement Fee

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
21400	549600	Employee O/S Mileage & Fares	5.4	12.0	0	12.0	0.0	0.0	0.0	12.0	Travel for State Engineer and staff for compact and other meetings to represent the State on water related issues.
21400	549700	Employee O/S Meals & Lodging	4.1	8.6	0	8.6	0.0	0.0	0.0	8.6	Travel for State Engineer and staff for compact and other meetings to represent the State on water related issues.
	400	**Other**	**778.7**	**817.4**	**0**	**1,017.4**	**0.0**	**0.0**	**0.0**	**1,017.4**	
	TOTAL EXPENSE		**6,361.4**	**6,445.0**		**6,645.0**	**0.0**	**0.0**	**0.0**	**6,645.0**	

State of New Mexico

Contract by PCode Detail

(Dollars in Thousands)

Fund	Account		#	Contract Purpose	Actuals	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
21400	535200	Professional Services	1000	for outsourcing Professional Services	3.6	7.0	0.0	0.0	0.0	7.0	for outsourcing professional sercices (various contracts for public relations consulting, temp staff, hearing officer services, mediation)
21400	535300	Other Services	1000	for outsourcing Other Services	0.7	1.5	0.0	0.0	0.0	1.5	document shredding
21400	535400	Audit Services	1000	for outsourcing Audit Services	81.8	86.7	0.0	0.0	0.0	86.7	6.7 GF increase for Audit cost adjustment
21400	535500	Attorney Services	1000	for outsourcing Attorney Services	0.0	15.0	0.0	0.0	0.0	15.0	legal services to represent the NMOSE in matters related to the hiring of foreign nationals and Visa sponsorship
21400	535600	IT Services	1000	for outsourcing IT Services	78.4	116.2	0.0	0.0	0.0	116.2	for outsourcing IT Services (contracts for network and security, documentation of remaining business process analysis to facilitate WRATS database C2 project, software and hardware support
	TOTAL EXPENSE				**164.5**	**226.4**	**0.0**	**0.0**	**0.0**	**226.4**	

FY28 APPROPRIATION REQUEST
FORM E-6B LEASED PASSENGER-RELATED VEHICLES
Account code 542800
LEASED VEHICLE INFORMATION @ 7/1/25

Agency Name: Office of the State Engineer
Business Unit: 55000
Program Name: Water Resource Allocation Program
Program Code: P551

LONG TERM LEASES ONLY								Long Term Only			SHORT TERM ONLY			
							Lease Type	A	B	A x B = C	D	E	D x E = F	
Item No.	Year	Make/Model	Vehicle Type	A** R C	License Plate Number	Mileage As of 7/1/26	Operational (O) or Standard (S)	FY27 Monthly Rate S= Rate Schedule	Number of months to lease	Total cost Rate FY27	Daily Rate Based On Vehicle Type	No. of Days	Total Lease Rate	Put (x) if Fed $
1	2008	FORD F250	04JO	C	000123SG	103,494	Operational (O)	293	12	3,518.6			-	
2	2008	FORD F150	04EO	C	000191SG	71,001	Operational (O)	293	12	3,518.6			-	
3	2008	DODGE DURANGO	06AO	C	000455SG	79,754	Operational (O)	293	12	3,518.6			-	
4	2008	DODGE DURANGO	06AO	C	000463SG	120,070	Operational (O)	293	12	3,518.6			-	
5	2009	DODGE CARAVAN	05AO	C	001414SG	139,751	Operational (O)	293	12	3,518.6			-	
6	2010	CHEVY SILVERADO	04EO	C	001679SG	159,835	Operational (O)	293	12	3,518.6			-	
7	2010	CHEVY SILVERADO	04EO	C	001682SG	94,884	Operational (O)	293	12	3,518.6			-	
8	2010	CHEVY SILVERADO	04EO	C	001693SG	118,765	Operational (O)	293	12	3,518.6				
9	2010	CHEVY SILVERADO	04EO	C	002117SG	128,072	Operational (O)	293	12	3,518.6				
10	2010	FORD RANGER	04BO	C	002141SG	33,471	Operational (O)	293	12	3,518.6				
11	2010	FORD RANGER	04BO	C	002153SG	915,303	Operational (O)	293	12	3,518.6				
12	2010	FORD RANGER	04BO	C	002156SG	112,989	Operational (O)	293	12	3,518.6				
13	2010	FORD RANGER	04BO	C	002159SG	125,932	Operational (O)	293	12	3,518.6				
14	2010	FORD EXPLORER	06AO	C	002197SG	101,376	Operational (O)	293	12	3,518.6				
15	2008	DODGE DURANGO	06AO	C	002794SG	133,741	Operational (O)	293	12	3,518.6				
16	2015	FORD F250	04JO	C	004401SG	122,804	Operational (O)	293	12	3,518.6				
17	2016	CHEVY TAHOE	06BO	C	005426SG	96,418	Operational (O)	293	12	3,518.6				
18	2015	CHEVY SILVERADO	04FO	C	005428SG	134,766	Operational (O)	293	12	3,518.6				
19	2019	RAM 1500	04E	C	006985SG	131,903	Operational (O)	293	12	3,518.6				
20	2019	RAM 1500	04E	C	006988SG	50,602	Operational (O)	293	12	3,518.6			-	
21	2019	RAM 1500	04E	C	006993SG	75,455	Operational (O)	293	12	3,518.6				
22	2019	FORD F150	04F	C	007332SG	122,039	Operational (O)	293	12	3,518.6				
23	2019	DODGE JOURNEY	06A	C	007449SG	34,142	Operational (O)	293	12	3,518.6				
24	2023	DODGE RAM	04F	C	007708SG	14,375	Standard (S)	702	12	8,424.0				
25	2019	RAM 1500	04F	C	007726SG	52,522	Operational (O)	293	12	3,518.6				
26	2021	NISSAN ALTIMA	02BA	C	008481SG	20,199	Operational (O)	293	12	3,518.6				
27	2021	NISSAN ALTIMA	02BA	C	008715SG	38,451	Operational (O)	293	12	3,518.6				
28	2021	NISSAN ALTIMA	02BA	C	008741SG	44,445	Operational (O)	293	12	3,518.6				
29	2021	DODGE RAM	04E	C	009016SG	66,238	Operational (O)	293	12	3,518.6				
30	2022	DODGE RAM	04J	C	009435SG	67,403	Standard (S)	702	12	8,424.0				
31	2022	DODGE RAM	04J	C	009587SG	38,506	Standard (S)	702	12	8,424.0				
32	2022	DODGE RAM	04F	C	009616SG	36,854	Standard (S)	485	12	5,820.0				
33	2022	DODGE RAM	04F	C	009754SG	26,222	Standard (S)	485	12	5,820.0				
34	2023	DODGE DURANGO	06A	C	010086SG	22,706	Standard (S)	707	12	8,484.0				
35	2023	DODGE DURANGO	06A	C	010087SG	18,428	Standard (S)	707	12	8,484.0				
36	2023	DODGE RAM	04F	C	010099SG	23,247	Standard (S)	485	12	5,820.0			-	
37	2023	DODGE RAM	04F	C	010128SG	22,567	Standard (S)	485	12	5,820.0			-	
38	2023	DODGE RAM	04F	C	010129SG	41,616	Standard (S)	485	12	5,820.0			-	
39	2023	DODGE RAM	04F	C	010130SG	13,843	Standard (S)	485	12	5,820.0			-	
40	2023	DODGE RAM	04F	C	010131SG	23,919	Standard (S)	485	12	5,820.0	-		-	
41	2023	DODGE RAM	04F	C	010132SG	22,883	Standard (S)	485	12	5,820.0			-	
42	2023	DODGE RAM	04F	C	010133SG	17,366	Standard (S)	485	12	5,820.0			-	
43	2005	FORD F150	04EO	C	G61404	131,936	Operational (O)	293	12	3,518.6			-	
44										-			-	
45										-			-	
									TOTAL LONG TERM:	196,660.6			-	
											TOTAL SHORT TERM:		-	

Operational(O) rate for FY27 will be

** Code A = additional leased vehicle request C = vehicle currently leased R = request to replace previously purchased vehicle

Office of the Governor
MICHELLE LUJAN GRISHAM

490 Old Santa Fe Trail Room 400
Santa Fe, NM 87501

Phone: (505) 476-2200

Fiscal Year 2028
STRATEGIC PLAN

STATE OF NEW MEXICO

AGENCY

Office of the State Engineer
and
Interstate Stream Commission

Leadership

Governor Michelle Lujan Grisham's priorities

- Transformative strategic investments in public education: My team will work hand-in-hand with educators, students, parents and communities to build both a pre-kindergarten and K-12 public education system that is equitable, well-funded and provides New Mexico school children with every single opportunity they need to succeed.

- Improved access to high-quality health care throughout the state: We will leverage additional federal funding for Medicaid-eligible clients while proactively reaching out to eligible New Mexicans across the state to ensure every family has access to the care they need when they need it.

- Comprehensive health and well-being services for children and families: We will make significant investments in protective services personnel and advanced screening and case management services while continuing to leverage federal funds to ensure the safety of our most vulnerable youth.

- In Building the 21st Century economy New Mexico deserves: My team will creatively and aggressively leverage core strengths and growth areas, establish long-term partnerships in the film and television industries and launch sustainable new economic areas like cybersecurity, aerospace, value-added agriculture and intelligent manufacturing.

- Sustainable investments in the workforce: After having boosted the minimum wage for the first time in a decade, we will expand our apprenticeship programs and invest in job training programs, financial aid and the College Affordability Act.

- Prudent fiscal management: We will safeguard taxpayer dollars and key investments by targeting healthy General Fund reserves and deploying tax stabilization tools.

Note from OSE
State Engineer
Elizabeth K. Anderson, P.E.

I'm excited to introduce OSE's new strategic plan. This plan aligns with the governor's vision of prudent fiscal management and providing quality, effective services to all New Mexicans.

Our plan is anchored by:

- Financial stability
- Quality services
- Government efficiency
- Workforce engagement
- Thriving communities
- Securing water supplies

I welcome feedback from our stakeholders and look forward to serving all New Mexicans as we continue to move our state forward.

Table of Contents

Vision, Mission and Values

OUR VISION

The Office of the State Engineer and the Interstate Stream Commission is the preeminent water management agency, which is trusted by the public to effectively and transparently manage, allocate and protect New Mexico's water resources.

Vision, Mission and Values

OUR MISSION

To actively protect and manage the water resources of New Mexico for beneficial uses by its people, in accordance with law:

- to investigate, measure and distribute water in the most efficient manner in accordance with state laws, court adjudications and State Engineer rules and regulations;
- to administer a water rights system that lawfully and effectively allocates and reallocates water through permits, licenses and the adjudications of the courts to meet the needs of New Mexico's growing population;
- to maximize use of New Mexico's interstate stream apportionments and compact compliance to promote the sustainability of New Mexico's water supplies; and
- to plan for the future water needs of New Mexico's people and environment.

In carrying out the OSE/ISC mission, protection of waters and stream systems will take water quality issues into consideration.

Vision, Mission and Values

OUR GUIDING VALUES

Accountability, Collaboration, Communication, Efficiency, Effectiveness, Fiscal Responsibility, Service and Quality

Organizational Structure

By Program/Division/Bureau

Executive Summary

New Mexico is currently experiencing the most intense period of drought since the early 2000s. As of the date of this report, over 97% of the state is experiencing moderate to exceptional drought conditions. The challenges of managing New Mexico's scarce water supplies are being exacerbated by changing climate. Climate change will impact New Mexico's water supplies through more frequent and longer droughts, altered patterns of precipitation and snowpack runoff, increased evaporation, flooding, and sedimentation, and more frequent and more damaging wildfires, with experts predicting that New Mexico may see up to 25% less water coming into the state over the next 50 years. These impacts will threaten the communities, irrigators, and businesses that depend on New Mexico's water, and will increase stresses on the State's diverse ecosystems.

The Office of the State Engineer (OSE)/Interstate Stream Commission (ISC) is currently working with water managers and other stakeholders in key basins across the state to undertake the actions in the Governor's 50-Year Water Action Plan and implement Active Water Resource Management to administer water rights to mitigate the effects of extreme drought and climate change.

Executive Summary

The State Engineer is appointed by the Governor and confirmed by the state Senate. The State Engineer is statutorily charged with the general supervision of the state’s waters and of the measurement, appropriation, and distribution thereof. Since 1907, a permit from the State Engineer has been required to appropriate surface water or make a change to a surface water right. Since 1931, the responsibilities were clarified to include all groundwater within declared underground water basins and State Engineer permits are required to appropriate groundwater or make changes to groundwater rights throughout the state.

The ISC is a separate entity under state law but is organizationally connected to the Office of the State Engineer. The State Engineer serves as the Secretary of the ISC. The Legislature created the ISC in 1935 and gave it broad powers to investigate, protect, conserve and develop the state’s water supplies. The ISC’s duties include protecting New Mexico’s entitlements to water under eight interstate stream compacts, supporting compliance with those compacts, developing and promoting regional and statewide water planning, and implementing the Strategic Water Reserve.

Statutory Authority and Activities - See appendix for a comprehensive listing

Executive Summary

Water management in New Mexico is guided by several prior appropriation principles codified in the New Mexico Constitution: (1) all water belongs to the public but is subject to appropriation for beneficial use by an individual or entity; (2) beneficial use is required to establish a water right and defines the nature and extent of the right and with certain provisions, continuous beneficial use is required to maintain the right; and (3) in times of shortage, older water rights have priority over junior water rights. Pueblos, Tribes, and Nations have some of the most senior water rights.

In FY 2026, the Office of the State Engineer processed 104,549 water rights transactions. The majority of these included change of ownership forms, well plugging records, meter readings and 2,244 domestic well applications. During FY 2026, 405 applications were filed for permits to change existing water rights. Approximately one-third of applications submitted to the Water Rights Division of the OSE each year are protested or aggrieved. These applications are then subject to the formal State Engineer administrative hearing process.

Agency duties include reviewing subdivision water supply plans submitted by counties, licensing water well drillers, and administering a statewide dam safety program. The State Engineer also produces hydrographic surveys to provide the data necessary for the determination of water rights in stream system adjudication suits conducted by OSE legal staff on behalf of the state.

A key activity of the OSE is to obtain the judicial determination of existing water rights through water rights adjudication suits. This court process is required by statute. Typically, the first or technical phase, of the adjudication process is the production of a hydrographic survey to determine the nature and extent of all water rights, including the location, quantity and priority date within a stream system. The second, or legal phase, starts with the filing of a lawsuit on behalf of the State of New Mexico that names as defendants all water right owners identified by the hydrographic survey within the geographic scope of the suit (usually defined by boundaries of drainage and/or aquifer) commissioned by the New Mexico Attorney General as Special Assistant Attorneys General. The State is currently conducting **eleven** open water rights adjudication suits throughout New Mexico.

Executive Summary

Tribal Negotiations: Since 2022, OSE has successfully negotiated, on behalf of the State of New Mexico, local settlements addressing the water rights claims of Zia Pueblo and Jemez Pueblo on the Jemez River, the claims of Zuni Pueblo in the Zuni River Basin, the claims of Ohkay Owingeh on the Chama River, and the claims of Acoma Pueblo, Laguna Pueblo, and the Navajo Nation in the Rio San Jose basin. OSE is actively negotiating the claims of Santa Clara Pueblo and Ohkay Owingeh within the Santa Cruz and Truchas Stream Systems and the claims of the Ute Mountain Ute Tribe. The OSE has also begun negotiations regarding the water rights of the six Middle Rio Grande Pueblos (Cochiti, Santo Domingo, San Felipe, Santa Ana, Sandia, and Isleta).

OSE continues to leverage over $2 billion in federal funding for regional rural water supply projects in the implementation of three federally authorized water rights settlements involving five Pueblos (Taos, Nambe, Pojoaque, Tesuque, San Ildefonso) and the Navajo Nation's water rights in the San Juan Basin.

OSE has created a dedicated Bureau for Pueblos, Tribes, and Nations to focus full time on ongoing water right settlement negotiations and implementation to leverage federal funds for water supply projects and regional solutions.

Water management in New Mexico is complicated by the state’s long history of water use, the scarcity and variability of its water supply, its obligations under eight interstate stream compacts and the presence of threatened and endangered species. New Mexico is under pressure to meet its water delivery obligations to other states and failure to comply has resulted in interstate litigation. For example, the U.S. Supreme Court in 1988 found that New Mexico, for decades, had under-delivered water to Texas on the Pecos River. The Court ordered New Mexico to pay damages to Texas and appointed a Federal River Master to determine New Mexico's ongoing Pecos River Compact compliance. A 2003 settlement agreement within New Mexico, has assured compact compliance on the Pecos River since that date.

Executive Summary

On the Rio Grande, since 2013, New Mexico has been engaged in litigation with the State of Texas and the United States regarding the Rio Grande Compact in the case of *Texas v. New Mexico.* In May 2026, the Supreme Court adopted a Consent Decree negotiated between the States that ended the interstate litigation, and on June 8, 2026, it entered a dismissal of the remaining United States claims, ending the litigation. In addition to the Consent Decree, New Mexico negotiated a Groundwater Settlement Agreement, an Operations Settlement Agreement, and an MPA Third Party Implementing Agreement that will, in concert, provide the standards and mechanisms for New Mexico to comply with its obligations to the Compact and the Rio Grande Project. The OSE/ISC have worked diligently with the New Mexico Department of Justice on the case and these settlements will bring much-needed certainty and allow water users to plan for their water future. In tandem with the proposed settlement, OSE/ISC will implement a robust plan for water management in the lower Rio Grande that will ensure compact compliance and help water users become more resilient in the face of climate change. OSE/ISC have been engaged in intensive negotiations with water users in the Lower Rio Grande to shape the key elements of that plan and to resolve outstanding issues in the lower Rio Grande adjudication that were hung up during the pendency of the Supreme Court litigation.

Executive Summary

Optimal management of New Mexico's water depends upon good information and planning. All existing 16 planning regions completed plan updates in 2016 and 2017 in anticipation of a State Water Plan update completed in 2018. The ISC finalized a review of the State Water Plan in 2023. The 2023 Regional Water Security Planning Act and the recently promulgated water planning rules re-initiates regional water planning that will guide the state forward through collaboration with water users at the regional level to develop plans for creating resiliency and adaptation to drought and climate change impacts.

In 2021 under the leadership of Governor Lujan Grisham, the ISC commissioned the New Mexico Bureau of Geology and Mineral Resources to convene a panel of New Mexico's leading climate and water resource scientists to draft a report that would describe anticipated climate change impacts to New Mexico's water resources over the next 50 years. That report, referred to as the 'Leap Ahead' Report, predicts a 25% decrease in surface water flows and aquifer recharge across the state over the next 50 years or sooner.

Executive Summary

During 2022, Governor Lujan Grisham authorized the State Engineer to form and chair a Water Policy and Infrastructure Task Force of water and natural resources experts, senior state agency staff, and stakeholders from around New Mexico to study the problems and recommend actions the state can take. Working together, the 29 Water Task Force members, representing diverse expertise, geographies, and community interests, examined New Mexico’s water management and governance challenges. Their report was release in December 2022.

Executive Summary

In January 2024, the Governor released the 50-Year Water Action Plan. This plan draws on the work of the ‘Leap Ahead’ Report, as its scientific foundation, the work of the Task Force, and input from all natural resource agencies, including OSE/ISC to outline three key areas for action: water conservation, development of new water supplies, and water and watershed protection.

During the 2026 Legislative Session, the Legislature passed the OSE’s Enforcement Bill (HB 111), which amends and modernizes the Water Code to enable the State Engineer to obtain meaningful penalties for illegal water use and violations. The new law incentivizes violators to come into compliance quickly after receiving a Notice of Violation. The new law went into effect in May of 2026, and the OSE is already seeing meaningful results.

Statutory Authority and Activities - See appendix for a comprehensive listing

Executive Summary

The activities of the OSE/ISC are financed primarily through state general funds and income from two state trust land funds: the Irrigation Works Construction Fund and the Improvement to the Rio Grande Income Fund. Starting in FY20, the Legislature initiated $4.5 million in new recurring distributions out of the two trust funds for forestry and acequia efforts. This is on top of the current operational reliance on the funds of approximately $16 million per year. Despite the strong revenue years that the funds have had the combined outflows continue to be on an unsustainable path and limit the ability of the funds to meet their statutory purposes. Current projections indicate that the trust funds will either need one-time infusions or a significant reduction in the annual rate of outflow at some point to stay solvent.

Agency Budget and FTE

	FTE	Budget
OSE (Overall)	368	$56,270,700
Interstate Stream Commission	61	$16,492,100
Program Support	47	$6,553,600
Water Resource Allocation Program	192	$23,326,500
Litigation and Adjudication Program	68	$9,898,500

Statutory Authority and Activities - See appendix for a comprehensive listing

Interstate Compact Compliance and Water Development Program (Interstate Stream Commission P552)

Purpose of the Program

The purpose of the Interstate Stream Compact Compliance and Water Development Program is to ensure New Mexico's continued compliance with interstate stream compacts; to resolve federal and interstate water issues; to develop water resources and stream systems in an environmentally sound manner; and to plan for the future use of water so that the people of New Mexico can have maximum sustained beneficial use of available water resources.

Program Users

Program users are the public but more specifically all water right owners in New Mexico.

Benefits to New Mexicans

- Represent New Mexico in negotiations with other states to settle interstate stream controversies.
- Ensure New Mexico's continued compliance with its interstate stream compacts to protect existing water rights in New Mexico.
- Provide State assistance to Acequias and public water systems to support safety and efficiency of New Mexico's water resource infrastructure.
- Conduct planning to ensure that water is available in the future to the citizens of New Mexico.
- Support active management of the water resources in New Mexico to protect senior water rights.
- Conduct programs to support compliance with state and federal Endangered Species Act to protect the waters of New Mexico.
- Sustainably protect, develop and utilize the waters apportioned to New Mexico under interstate compacts and decrees.
- Participate in contingency planning efforts to protect New Mexico's share of interstate waters under changing conditions.
- Provide timely responses to news media and public requests.
- Comply with Inspection of Public Records Acts requests.

Statutory Authority and Activities - See appendix for a comprehensive listing

Interstate Compact Compliance and Water Development Program (Interstate Stream Commission (P552)

Program Summary

The New Mexico Interstate Stream Commission (ISC), created by Chapter 25 of the 1935 legislative session laws, has broad powers to investigate, protect, conserve and develop New Mexico's waters, including both interstate and intrastate stream systems. The Commission has eight unsalaried members appointed by the Governor. The ninth member is the State Engineer, who under state law is the secretary of the Commission. The Commission Director is appointed by the Governor and reports to the State Engineer.

The Commission's authority under state law includes negotiating with other states to settle interstate stream controversies. New Mexico is a signatory to eight interstate stream compacts including the Colorado River; Upper Colorado River Basin; La Plata River; Animas-La Plata Project; Rio Grande; Costilla Creek; Pecos River; and Canadian River compacts. Commission staff is also responsible for compliance with provisions of the U.S. Supreme Court decisions governing water allocations on the Pecos, Canadian, Gila, San Francisco and San Simon Rivers in New Mexico. To support compact compliance, ISC staff analyzes, reviews and implements projects in New Mexico and evaluates potential water-supply impacts in New Mexico of projects in other states. Staff also analyze stream flow, reservoir level, snowpack and other data on stream systems in New Mexico and neighboring states.

The Commission is also authorized by statute to investigate and develop the water supplies of the state and to plan, conserve, protect and develop its public waters. Under the Water Security Planning Act of 2023, the Commission recently promulgated regional planning rules. The Commission is currently reviewing and editing guidelines for finalization in late 2026. Under the State Water Plan Act, the Commission was directed to coordinate with the Office of the State Engineer and the Water Trust Board to develop a comprehensive state water plan and to review and update it periodically.

Statutory Authority and Activities - See appendix for a comprehensive listing

Interstate Compact Compliance and Water Development Program (Interstate Stream Commission (P552)

Program Summary

The Commission is responsible for programming, budgeting, and directing expenditures from several sources: the Commission operating budget; the Ute Dam Construction Fund, (the Commission owns and operates Ute Dam and Reservoir); the Pecos Land Management Fund, created in 2005 to allow revenues generated from Commission-owned land to be used for land management and for maintenance and operation of augmentation wells; the Indian Water Rights Settlement Fund; legislative appropriations for implementing approved Indian Water Rights Settlements; special appropriations; and two state land trust funds: the Improvement of the Rio Grande Income Fund and the Irrigation Works Construction Fund. Both trust funds were created by the Ferguson Act of 1898, which set aside grants of trust land in what was then the Territory of New Mexico to generate income for specified beneficiaries.

Statutory Authority and Activities - See appendix for a comprehensive listing

Interstate Compact Compliance and Water Development Program (Interstate Stream Commission (P552)

Program Goals and Objectives

1. Promote the effective administration, distribution, protection, conservation and development of the State's surface and groundwater.

- **A.** Comply with interstate compacts, court decrees, federal law and interstate obligations.
- **B.** Promote conservation and efficient use of water.
- **C.** Preserve, strengthen and protect the State's administrative authority over the State's waters.

2. Develop and use available water resources in an environmentally responsible manner consistent with state and federal laws

- **A.** Provide renewable water supply for east central New Mexico communities.
- **B.** Promote sustainable environmentally responsible development of the groundwater of the Salt Basin for the benefit of NM communities.
- **C.** Coordinate with the San Juan Chama Project water users related to the use of those waters.
- **D.** Participate in the development of the Animas-La Plata project to assist NM water users on receiving the benefits of the project in coordination with the agency tribal liaison.
- **E.** Support full development of the Navajo-Gallup Water Supply Project.
- **F.** Facilitate continued availability of reliable water supply for Eagle Nest Reservoir.
- **G.** Understand and develop environmental protections for stream systems, including river restoration projects and participate in programs for the benefit and protection of threatened and endangered species to provide compliance with existing listings and avoid additional listings.
- **H.** Continue implementation of the Strategic Water Reserve (SWR) (72-14-3.3).

3. Protect and maximize the State's ability to develop and utilize the waters apportioned to it under interstate compacts and decrees.

- **A.** Comply with the 1948 Pecos River Compact and the U.S. Supreme Court's 1988 Amended Decree in Texas v. New Mexico.
- **B.** Maintain long-term Rio Grande Compact Compliance.
- **C.** Administer the Costilla Creek system in accordance with the 1963 Costilla Creek Compact.
- **D.** Defend, administer and comply with interstate compacts, international agreements, court decrees and other applicable laws to protect New Mexico's utilization of its consumptive use apportionments on the Colorado River and its tributaries in New Mexico.
- **E**. Develop, monitor, and account for the consumptive uses of water apportioned to New Mexico by compact in the Upper Colorado River Basin and by decrees in the Lower Colorado River Basin.
- **F.** Maximize the water available to New Mexico under the La Plata River Compact.
- **G.** Maximize the water available to New Mexico under the Animas-La Plata Project Compact.
- **H**. Maintain compliance with the Canadian River Compact and U.S. Supreme Court Decree.
- **I**. Support development and implementation of long-term solutions in the Lower Rio Grande.

4. Promote the safety and efficiency of New Mexico's water resource infrastructure.

- **A.** Safely operate and maintain dams and infrastructure including; Ute Dam, Eagle Nest Dam, Pecos River augmentation well fields and pipeline systems.
- **B.** Support owner's efforts to safely operate and maintain Costilla Dam's infrastructure.
- **C**. Implement and support Rio Grande floodway projects that assist in compact compliance.
- **D.** Provide state assistance to acequias for renovation and construction of irrigation projects.
- **E.** Support implementation of ditch efficiency improvement projects.
- **F**. Conduct and maintain Pecos augmentation wellfields and implement efficiency improvements.

Interstate Compact Compliance and Water Development Program (Interstate Stream Commission (P552)

Program Goals and Objectives

5. Plan for New Mexico's future water needs.

- **A.** Implement the 50-Year Water Action Plan.
- **B.** Implement the 2023 Water Security Planning Act, which replaced a 1987 statute and will reinvigorate regional water planning.
- **C.** Review and update the State Water Plan in compliance with statute.
- **D**. Continue to engage, including through coordination with the OSE/ISC Tribal Liaison, New Mexico's Tribes, Pueblos and Nations, as well as with New Mexico's acequia communities on water planning activities.
- **E.** Collaborate with other planning entities across state and federal government.

Strategic Actions

- **1A.** Evaluate and protect water releases from reservoirs for interstate delivery in accordance with applicable compacts, federal and state law, decree requirements, settlements (e.g. - Pecos Settlement Agreement), for New Mexico's water right users (agriculture and municipalities), and for the benefit of endangered species.
- Facilitate agreements between water users and federal agencies on water operations and river administration.
- Collaborate with federal water management agencies to more effectively manage water resources, including maximizing operational flexibility for New Mexico's water users and ESA requirements and to reduce the likelihood of interstate litigation against New Mexico.
- Conduct drought contingency and climate change planning with New Mexico stakeholders , the Upper Colorado River Basin States, and the U.S. Bureau of Reclamation.
- Continue river maintenance work with Reclamation to maintain and adaptively manage the Elephant Butte Reservoir Delta Channel to ensure Compact water deliveries.
- Implement Lower Rio Grande projects to support the terms of the settlement in Texas v New Mexico, including anticipated state line deliveries.

Strategic Actions

- Support Middle Rio Grande levee improvement/replacement projects including the Bernalillo to Belen project by the U.S. Army Corps of Engineers.
- Support water salvage and river maintenance through the ISC and Reclamation Technical Services Agreement.
- Actively assist in management and refinement of interagency surface and groundwater modeling to evaluate and improve water operations in principal river basins including Rio Grande, Colorado, and Pecos.
- Support and coordinate with the New Mexico Department of Justice (NMDOJ) to respond to interstate litigation as needed.
- Continue cooperative agreements with the U.S. Geological Survey for river and reservoir gaging in New Mexico.
- Continue implementation of the 2003 Pecos Settlement Agreement (Settlement) and protect the State's investment in the Settlement.
- Fulfill obligations of the State of New Mexico, through the ISC, pursuant to the 2004 Arizona Water Settlements Act (AWSA), in concert with other federal and state law agreements.
- Participate in the development of operating and accounting protocols for the Animas/La Plata Project.
- Continue to implement the Strategic Water Reserve (SWR) in designated priority basins to assist with interstate compact deliveries and Endangered Species Act compliance along with other uses of the SWR. Pursue additional funding resources for SWR water rights acquisitions.
- Participate in river realignment projects in the San Acacia Reach of the Middle Rio Grande with Reclamation and the Middle Rio Grande Conservancy District to improve water conveyance above Elephant Butte Reservoir.
- Conduct a vegetation management plan with multiple stakeholders in the Middle Rio Grande that addresses flooding, excessive losses due to evapotranspiration, the creation of dynamic ecosystem for listed species and other native fauna, and improves water conveyance, where needed.
- Seek proactive approaches to reducing Rio Grande compact debit and reversing downward trends in deliveries to Elephant Butte Reservoir.

Interstate Compact Compliance and Water Development Program (Interstate Stream Commission (P552)

Strategic Actions

- **1B.** Continue to develop and use numerical models to better understand, assess and promote the efficient use of water, with new focus on the Pecos, San Juan, and Animas Rivers. Continue to support the Rio Grande numerical models.
- Work with OSE Hydrology Bureau and OSE District 1 on the implementation of complex numerical models for the Middle Rio Grande that model surface water and groundwater interactions for decision support.
- Support the OSE Water Use and Conservation Bureau's efforts to improve estimates of evapotranspiration using remote sensing and other tools.
- Continue to work with the Water Trust Board to implement new pilot cycles for funding from the New Mexico Unit Fund in accordance with HB200.
- **1C.** Participate in federal National Environmental Policy Act environmental impact statements and assessments (NEPA, EIS, EA) and Endangered Species Act biological opinions and recovery team (ESA, BO) consultations and collaborative processes, where appropriate. Current and future priorities include the Middle Rio Grande Biological Opinion for water management and Endangered Species Collaborative Program; the San Juan River Basin Recovery Implementation Program (SJRIP); the Glen Canyon Adaptive Management Program; the Lower San Acacia Reach EIS, the Gila Basin's spikedace and loach minnow recovery teams; and the 2016 Biological Opinion for the Pecos bluntnose shiner.
- Actively participate in multi-state, multi-agency programs dealing with water management and administration such as river maintenance, watershed management, salinity control and flood control programs. Monitor and engage, as appropriate, in other federal or state plans and programs that have the potential to affect water resources.

Strategic Actions

- Support and conduct basic hydrologic data collection such as stream flow, reservoir storage and releases, and snowpack to ensure accurate and timely measurement, management and accounting of New Mexico's water resources. For example, continue the cooperative agreement with the United States Geological Survey for river and reservoir gaging in New Mexico and support OSE metering and measurement.
- Conduct technical and legal investigations to defend New Mexico's water entitlement and uses.
- **2A.** Continue to manage the shoreline management plan for Ute Reservoir adopted by the Commission.
- Provide technical, legal, policy information and support to New Mexico's legislature, Water Trust Board and congressional delegation for construction funding for Eastern New Mexico Water Utility Authority Pipeline Project.
- **2B.** Investigate the water resources of the Salt Basin to reduce uncertainty in amount, quality and location of water supplies and support optimal development of the resource.
- Investigate legal issues associated with pending water rights appropriation applications, including resolution of protests.
- **2C.** Coordinate with San Juan-Chama Project (SJCP) contractors and Reclamation on SJCP forecasted allocations and annual operations.
- Support and advise OSE District 1 on administration of the Middle Rio Grande groundwater pumping offset program.
- Support OSE District 6 on oversight and management of Rio Chama diversions and shortage sharing.

Interstate Compact Compliance and Water Development Program (Interstate Stream Commission (P552)

Strategic Actions

- **2D.** Support New Mexicans' efforts to utilize Animas-La Plata Project water, including participation in the development of procedures for the delivery of Animas-La Plata project water to users in NM.
- **2E.** Provide technical, legal, and policy information and support to New Mexico's congressional delegation and the New Mexico legislature related to the authorized Navajo-Gallup Water Supply Project and for implementing the Navajo Nation Water Rights Settlement Agreement including outreach and collaboration by the OSE/ISC Tribal Liaison.
- **2F.** Provide technical support to the operation of Eagle Nest Dam to maintain dam safety.
- Continue compliance with and implementation of Eagle Nest Settlement Agreement.
- Properly operate reservoir releases in accordance with agreed upon reservoir operations manual.
- **2G.** Actively participate in activities of the SJRIP including seeking funds and legislation, review and selection of capital projects for habitat improvement and population protection, evaluation of flow recommendations for conservation of endangered fish species, and review of operating rules and plans for Navajo Reservoir to meet water contract demands and endangered fish habitat needs.
- Participate in executive and technical roles in the Middle Rio Grande Endangered Species Collaborative Program and conduct the habitat restoration, monitoring and research, and other activities that are Commission commitments in the 2016 Biological Opinion to protect New Mexico's water uses.
- Continue support of the Arkansas shiner Canadian River Management Plan, including fish monitoring and provision of existing base flow below Ute Dam, in lieu of designation of critical habitat for the listed Arkansas River shiner.

Strategic Actions

- Continue efforts to better understand the habitat needs of the Pecos bluntnose shiner and help support its recovery. Support habitat restoration projects as appropriate in concert with federal water management agencies.
- Support implementation of the Candidate Conservation Agreement with Assurances for the Texas hornshell mussel on the Black River in Southeastern New Mexico.
- Support Reclamation and Elephant Butte Irrigation District in their efforts to protect the Southwest Willow Flycatcher and Yellow Billed Cuckoo in the Elephant Butte Reservoir delta area while maintaining storage space for future Rio Grande project operations.
- Seek funding from the federal government, state legislature, Water Trust Board, and other funding opportunities to conduct ESA compliance projects in New Mexico.
- When possible, provide and/or lease Rio Grande Compact "relinquishment" water allocated by the New Mexico Rio Grande Compact Commission for Rio Grande water uses including ESA compliance purposes.
- Operate the Los Lunas Silvery Minnow Refugium (LLSMR) to protect against the listed species extinction and produce fish for augmentation to occupied reaches.
- Conduct river maintenance and restoration projects to improve habitat, reduce continued habitat degradation, improve river connectivity for the species, and provide effective uses of available water resources to improve the status of endangered species and the environment while minimizing increases in depletions.
- Monitor populations of the Southwestern willow flycatcher and Yellow-billed cuckoo to track movement and trends in habitat occupancy so that water management decisions can be made that reduce conflict with species.

Interstate Compact Compliance and Water Development Program (Interstate Stream Commission (P552)

Strategic Actions

- **2H.** Implement the Jicarilla Apache Nation and The Nature Conservancy Strategic Water Reserve (SWR) agreement to enhance San Juan river flows by up to 20,000 acre-feet per year.
- Continue to operate the Vaughan Conservation Pipeline, as needed, to assist the U.S. Bureau of Reclamation in meeting flow requirements for the Pecos bluntnose shiner in the Pecos River.
- Develop and implement plans for the Strategic Water Reserve in the Middle and Lower Rio Grande, San Juan Canadian and Pecos River Basins.
- Continue bulk sales of SWR water to Reclamation for its ESA compliance purposes on the Pecos River, primarily utilizing ISC's Vaughan Conservation Pipeline near Fort Sumner. Acquire additional water rights as practical to augment existing supplies and help ensure operational flexibility for New Mexico water users.
- Pursue additional funding resources for the acquisition of water rights to assist with interstate compact deliveries and Endangered Species Act compliance.
- Utilize the water rights available under several lease agreements to assist with ESA compliance and compact compliance in the Middle Rio Grande reach of the Strategic Water Reserve.
- Administer the OSE water rights permit that appropriated surface waters of the Canadian River below Ute Reservoir for the SWR for the benefit of the endangered Arkansas River shiner.
- Continue to implement existing water acquisitions in the SWR as well as pursue additional opportunities to build on and strengthen the SWR.
- **3A.** Ensure full compliance with the terms of the 2003 Pecos Settlement Agreement (Settlement) including making regular projections of Carlsbad Project water supply, and operating ISC's augmentation well fields to supplement supply as prescribed by the Settlement.
- Manage and protect state-purchased water rights in the Pecos Basin including placement in the SWR or Pecos Water Resource Conservation Program. Enforce negative easement restrictions on formerly ISC-owned lands to prevent additional depletions.

Strategic Actions

- Work with the Pecos Settlement parties to identify potential additional drought management strategies in the Pecos Basin.
- Prepare for the impacts of climate change on NM water users and compliance with the Pecos River Compact.
- Continue to improve remote connection to data acquisition equipment at ISC's augmentation well fields to provide access to real-time data.
- Provide mechanisms for compliance with federal environmental law on the Pecos within the state law framework.
- Participate in monitoring populations of threatened and endangered species in the Pecos Basin.
- Provide mechanisms for compliance with federal environmental law on the Pecos within the state law framework.
- Collect and analyze data and collaborate with other water management entities to define further actions needed either to prevent further species listings or to protect and recover threatened or endangered species in the Pecos Basin, while minimizing adverse impacts to New Mexico water rights owners.
- Maintain active participation in decision making regarding operations at U. S. Bureau of Reclamation's Sumner Dam.
- Continue lease of water acquired for the SWR to the U.S. Bureau of Reclamation for ESA compliance purposes on the Pecos River.
- Conduct compact accounting procedures in accordance with the Pecos River Master Manual.
- Ensure the adequacy of quality assurance/quality control procedures for hydrologic data collected by federal agencies used in the Pecos River Compact accounting.
- Investigate and protest, as appropriate, proposed water rights transfers that could affect compact compliance (focus on identifying and reviewing applications for projects that may pose a threat to New Mexico's continued compliance with the Pecos River Compact).

Interstate Compact Compliance and Water Development Program (Interstate Stream Commission (P552)

Strategic Actions

- **3B.** Construct and maintain the Elephant Butte Delta Channel. Plan for a possible realignment of the channel.
- Engage with and educate major water users in the Middle Rio Grande related to the need for depletions reductions and strategic planning to ensure New Mexico's continued compliance.
- Continue to participate with U. S. Bureau of Reclamation in the Technical Services Agreement for water salvage and river maintenance.
- Work with the OSE District 1 staff to administer the Middle Rio Grande water rights offset program and implementation of a proposed metering order.
- Assess proposed water development projects and modified river operations proposals in relation to compact compliance and protest or otherwise address proposed actions that may have negative compact results.
- As resources become available, support, participate, and/or take a lead role in planning, design, compliance, construction and maintenance of Rio Chama, Middle Rio Grande Project and Rio Grande Project infrastructure that aids in compact compliance (maintaining drain structures, levees, removing river sediment plugs, maintaining areas previously cleared of non-native vegetation, etc.).
- Participate in Middle Rio Grande flood control projects and activities, specifically including construction of future segments of the San Acacia Levee and/or the Bernalillo to Belen Levees.
- Improve measurement of water resources and water uses, including participation in a Joint Funding Agreement with the U.S. Geological Survey for a cooperative gaging program on the Rio Grande.
- As available, use relinquished Rio Grande Compact accrued credit to assist in water management during times of drought to aid water users in the Middle Rio Grande.
- Comply with and manage debt retention requirements of the Rio Grande Compact.
- Evaluate and manage Rio Grande Compact deliveries to maximize utilization of New Mexico's water apportionment.
- Support evaluation and implementation of ESA 10(j) nonessential experimental populations. Monitor and assist in augmentation and maintenance of endangered silvery minnow populations in the Rio Grande Basin.

Strategic Actions

- Collect data, conduct studies, and produce reports and peer reviewed papers, as appropriate, to further define actions needed to protect and recover threatened or endangered species in the Rio Grande Basin including collaboration and outreach activities by OSE/ISC Tribal Liaison with pueblos where appropriate.
- Actively participate in Middle Rio Grande Endangered Species Collaborative Program.
- Provide mechanisms for compliance with federal environmental laws within the state law framework:
    - Evaluate and coordinate with the OSE to ensure that depletions from habitat restoration and changing operations of federal reservoirs are offset.
    - Utilize the Strategic Water Reserve (SWR) and relinquished Rio Grande credit water to provide sources of water that will help meet federal environmental demands.
    - Lease water acquired for the SWR and relinquished credit water to the U.S. Bureau of Reclamation for ESA compliance purposes on the Rio Grande.
- Ensure the adequacy of quality assurance/quality control procedures for hydrologic data collected by federal agencies used in Rio Grande Compact accounting.
- Actively participate in interstate and intrastate, multi-agency programs dealing with water planning, management and administration.
- As staff and resources become available, cooperate in the development of hydrologic models for use in water resources planning, environmental assessments, water project development and operations, water use accounting and ESA compliance.
- Participate in the Bureau of Reclamation's Rio Grande Basin Study, to develop water supply projections into the future and analyze potential adaptations to meet different demand scenarios.
- Actively and effectively participate in Rio Grande Basin water accounting procedures.
- Continue Rio Grande technical investigations to serve as the scientific basis of groundwater and surface water conjunctive use administration.

Interstate Compact Compliance and Water Development Program (Interstate Stream Commission (P552)

Strategic Actions

- Investigate and protest, as appropriate, proposed water rights transfers that could affect compact compliance (focus on identifying and reviewing projects that may pose a threat to New Mexico's continued compliance with the Rio Grande Compact).
- Develop and implement strategies to minimize the potential adverse effect of interstate litigation in coordination with the NM Department of Justice:
    - Develop, support and participate in the USGS LRG Mesilla Basin monitoring program.
    - Protect New Mexico interests in the Middle Rio Grande
    - Protect New Mexico interests in the waters in Elephant Butte Reservoir and downstream to the New Mexico/Texas state line.
- Implement a Lower Rio Grande Groundwater Conservation Program to be informed by the pilot program conducted successfully over the last three years.
- Work with stakeholders in the Lower Rio Grande to develop an array of tools that can be used in the future to better manage water resources and support both the agricultural community and municipalities.
- Support and implement the possible settlement of long-standing and costly interstate litigation.
- **3C.** Administer the use of waters of the Costilla Creek system to New Mexico and Colorado water uses as provided in the compact and rules of the Costilla Creek Compact Commission.
- Deliver Costilla Creek system water to New Mexico and Colorado users in accordance with the Costilla Creek Operations Manual.
- Work with federal and state agencies to resolve conflicts between the ESA and the Costilla Creek Compact.
- **3D.** Actively participate in multi-state, multi agency programs involved in water management on the Colorado River System, including negotiations related to post-2026 operations of Lake Powell and Lake Mead, following expiration of the current operating guidelines.

Strategic Actions

- Actively participate in drought contingency planning efforts with the other Upper Colorado River Basin states, the Seven Basin States, and the U.S. Bureau of Reclamation.
- Support weather modification efforts in the Upper Colorado River Basin with limited funding provided for efforts in the San Juan mountains in Colorado benefiting flows into New Mexico.
- Support and actively participate in activities of the Colorado River Basin Salinity Control Forum and Advisory Council to ensure compliance with the Colorado River Salinity Control Act.
- Actively participate in activities of the Glen Canyon Dam Adaptive Management Program continues to provide hydropower generation for customers in New Mexico as well as power revenues for operation of federal projects in New Mexico.
- **3E.** Actively monitor water deliveries from Colorado to New Mexico on the La Plata River and seek the proper administration of the provisions of Article II of the La Plata River Compact.
- Monitor irrigation demands and diversions from the La Plata River for uses in New Mexico.
- **3F.** Support implementation of the Animas-La Plata Project through participation in the development of studies, models, and procedures for protecting project water deliveries from Colorado to New Mexico consistent with the Animas-La Plata Project and existing Compacts.
- **3G.** Support development of a protocol for administration of Animas-La Plata Project water and Navajo Reservoir stored water by the Office of the State Engineer.
- **3H.** Manage, develop, and improve New Mexico water-related interests in the Canadian River Basin.
- Support Eastern New Mexico Water Utility Authority's planning, funding requests, and construction of facilities to convey water from Ute Reservoir to Eastern New Mexico communities.
- Administer the Canadian River Compact and 1993 US Supreme Court Decree.

Interstate Compact Compliance and Water Development Program (Interstate Stream Commission (P552)

Strategic Actions

- Continue to support Arkansas River shiner studies to reinforce the Arkansas River shiner Management Plan in lieu of designation of critical habitat.
- Actively monitor water uses in and from the San Juan Basin in New Mexico, including surveying irrigated crop acreages and accounting for consumptive uses in compliance with the 1948 Upper Colorado River Compact.
- Actively monitor and participate in the planning of operations of Navajo Dam and Reservoir to meet water demands in New Mexico and to support recovery of populations of two endangered fish species in the San Juan River as part of the agency's involvement in SJRIP.
- Work with the Upper Colorado River Commission and the Upper Colorado River Basin states to use Colorado River Storage project power revenues available to the upper basin fund and provide funding for Reclamation projects in the upper basin states in accordance with the Basin Fund Memorandums of Agreement.
- Support implementation of the Navajo-Gallup Water Supply Project.
- Cooperate in the development of hydrologic models for use in water resources planning, environmental assessments, water project development and operations, water use accounting and Endangered Species Act compliance.
- Coordinate with the OSE, District 3 to receive irrigated crop surveys and other uses, in the areas in southwest New Mexico decreed by the U.S. Supreme Court in Arizona v. California.
- Account for consumptive uses and report annually in compliance with the U.S. Supreme Court decree in Arizona v. California.

Strategic Actions

- Periodically measure diversions on 23 ditches in the Lower Colorado Basin using gages/fumes owned by the ISC.
- Maintain and/or replace the ISC gages/flumes in coordination with the OSE District 3.
- Conduct basic hydrology, data collection and analysis such as streamflow, reservoir storage and releases and snowpack.
- Ensure accurate measurement and account of water resources in the San Juan and Gila Basins.
- When necessary, collaborate and cooperate with the U.S. Geological Survey(USGS) for streamflow gaging in New Mexico, through the cooperative agreement between the ISC and the USGS.
- **3J.** Coordinate and participate in the technical work needed to support any continuing legal efforts in the Lower Rio Grande, including related to the pending decision that is currently before the U.S. Supreme Court.
- Implement a Lower Rio Grande Groundwater Conservation Program.
- Work with stakeholders to develop and implement long-term solutions to include possible brackish water use, water importation, stormwater management, active water resources management and leasing and purchasing of water rights.
- **4A.** Develop operating procedures as needed and coordinate with the OSE Dam Safety Bureau, the tribal liaison or any other appropriate OSE Bureaus.
- **4B.** Operate and maintain facilities in accordance with established operating procedures.
- Maintain membership with NM One Call and register all subsurface utility infrastructure owned by ISC.
- **4C.** Continue the Technical Services Agreement with U. S. Bureau of Reclamation that assists in Middle Rio Grande water salvage and vegetation management.
- Continue to support the U.S. Army Corps of Engineers San Acacia Levee Rehabilitation Project and the Bernalillo to Belen levee improvement/repair projects.

Interstate Compact Compliance and Water Development Program (Interstate Stream Commission (P552)

Strategic Actions

- Cooperate with Federal agencies to plan, design, conduct compliance, and construct projects that maintain and/or improve the intended functions of the Rio Grande floodway in a manner that provides environmental benefits.
- **4D.** Process all outstanding acequia capital appropriations, as much as possible given recipient constraints.
- Conduct workshops to assist acequias in administering capital improvement projects.
- Coordinate funding and projects with the National Resource Conservation Service, the U.S. Army Corps of Engineers (when funding is available), and the acequias themselves.
- Provide engineering and construction funding to acequias the Acequia and Community Ditch infrastructure fund (ACDIF) that was passed and signed into law in Senate Bill 438 during the 2019 Legislative session. The ACDIF increases funding available to acequias from $1.9M to $2.5M annually from the Irrigation Works Construction Fund.
- **4E.** Provide technical and policy support to the U. S. Bureau of Reclamation to implement the improvement program for Non-Navajo ditches as authorized by Public Law 111-11, and to provide lobbying support to the New Mexico Congressional delegation and the New Mexico legislature for federal and state cost share appropriations for the program.
- Provide lobbying support to the New Mexico Congressional delegation for appropriations for rehabilitation of the Hogback and Fruitland irrigation projects per the Navajo Nation Water Rights Settlement Agreement with continued outreach and coordination by the OSE/ISC Tribal Liaison
- **4F.** Maintain and continue development of remote real-time access to data associated with installed energy saving variable frequency drives and associated equipment at key Pecos Settlement augmentation wells.

Strategic Actions

- **5A.** Support implementation of the 50-Year Water Action Plan, including coordination with the Governor's Office and other relevant natural resources agencies.
- Lead efforts to implement recommendation 1A, water education, planning and water workforce development.
- **5B**. Continue implementation of the Water Security Planning Act including completing the guidelines called for by the act and informed by robust public input.
- Collaborate with planning entities statewide to align language and objectives.
- Continue to convene the Water Security Tribal Advisory Council as called for by the Act.
- **5C.** Prepare for an update of the State Water Plan due in 2028.
- Represent OSE/ISC in the Forest and Watershed Restoration Advisory Board to support projects that implement forest treatments to reduce the likelihood of catastrophic fires on water and sediment yield on our rivers.
- Provide information and data about the condition of New Mexico's water resources.
- **5C.** Coordinate with the Indian Affairs Department as specified in the Water Security Planning Act.
- Support the Acequia Water Planning Working Group
- Continue to engage in dialogue to stay informed of water planning efforts and needs of Tribes, Pueblos and Nations.
- Coordinate with Federal Assessment Team to settle water rights claims of Six Middle Rio Grande Pueblos.
- **5D**. Participate in the Rio Grande Basin Study.
- Coordinate with NM Bureau of Geology and Mineral Resources and other State agencies to implement the Water Data Act.
- Participate in the implementation of Water Policy and Infrastructure Task Force recommendations.
- Collaborate with the ongoing work of New Mexicans to address climate change and improve communities' resilience. Facilitating connections to leverage the effectiveness of efforts is essential.

Interstate Compact Compliance and Water Development Program (Interstate Stream Commission (P552)

Performance Measures

	FY24 Actual	FY25 Actual	FY 26 Actual	FY27 Target	FY 28 Requested Target
Cumulative state-line delivery credit per the Pecos river compact and amended decree at the end of the calendar year, in acre-feet	148,200	126,000	110,900	161,600	0
Cumulative delivery credit per the Rio Grande compact at the end of the calendar year, in acre-feet	-121,500	-124,000	-132,000	-150,000	TBD
Cumulative New Mexico unit fund expenditures	$22,600,000	$23,060,000	23,220,000	N/A	N/A

Program Support (P554)

Purpose of the Program

The purpose of Program Support is to provide essential administrative support to the Office of the State Engineer to support the Agency personnel in achieving the goals and objectives of the OSE.

Program Users

Program users are the Office of the State Engineer’s employees, contractors, other state and federal agencies and the public.

Program Summary

Program Support provides administrative and management support services to the Office of the State Engineer to allow for the efficient functioning of the agency. In addition to the agency executive appointees, the program has four bureaus: Finance, Budget Services, Information Technology Systems, and Human Resources. Together they oversee the agency’s payroll, budget, contracts, fixed assets, accounting, procurement, property management, personnel management, workforce development and training, and information technology (IT). Additionally, the Hearing Unit, which falls within Program Support, conducts administrative hearings on protested and aggrieved water rights applications and enforcement actions.

Benefits to New Mexicans

- Accountability over agency fiscal activities and operations
- Process improvements and efficiencies
- Provide timely responses to news media and public requests.

Statutory Authority and Activities - See appendix for a comprehensive listing

Program Support (P554)

Program Goals and Objectives

1. Promote the effective administration, distribution, protection, conservation and development of the State's surface and groundwater.

- **A.** Conduct administrative hearings on protested and aggrieved water right applications and enforcement actions and ensure the expeditious and orderly handling of those matters consistent with the requirements of due process.
- **B.** Provide Alternative Dispute Resolution (ADR) services for aggrieved and protested applications, enforcement actions and licensing actions; and continue to incorporate ADR into the administrative hearing process.
- **C.** Preserve, strengthen and protect the State's administrative authority over the State's waters.

2. Develop, deliver and continuously improve the value of Human Resource, Financial, Information Technology and Budget Services provided to agency programs, state and federal agencies and business partners.

- **A.** Provide quality services which support the agency achieving its short and long-term objectives.
- **B.** Recruit and hire a highly skilled and diverse workforce aligned with business goals and objectives.
- **C**. Retain a highly performing workforce and maintain an environment conducive to a high level of employee satisfaction.
- **D**. Develop a workforce dedicated to our mission and strengthened by its diversity, able and willing to meet and exceed the highest standards of conduct and performance.
- **E.** Provide governance and ensure compliance and accountability with the highest integrity and accuracy.
- **F.** Provide timely and accurate information that is used by management to direct agency resources towards achieving the agency's programmatic goals and objectives.
- **G.** Provide comprehensive fiscal, administrative, personnel, budget and IT support focused on enhancing workforce capabilities.
- **H.** Innovate to make Agency operations more efficient and deliver better services to constituents.
- **I.** Make water resource management information easily accessible to internal staff and the public.
- **J.** Use IT to improve business processes and integration of workflows.
- **K.** Use GIS to improve Agency work products, processes and decisions.
- **L.** Continuously improve IT planning processes.
- **M**. Continuously improve IT service delivery processes.
- **N.** Continuously improve the Agency's information security posture.

Program Support (P554)

Strategic Actions

- **1A.** Continue to schedule administrative hearings concerning protested and aggrieved applications in a timely and efficient manner that provides for development of a complete record addressing availability and beneficial use of water, impacts to existing water rights, conservation of water and public welfare.
- Expedite the hearing of enforcement and licensing actions as appropriate to protect the water resources and public welfare of the state.
- Continue to refine protocols for hearings concerning applications with large numbers of protestants.
- Continue to evaluate platforms and refine protocols for the conduct of conferences, hearings, and mediations using videoconferencing technology.
- Support and facilitate rulemaking.
- **1B.** Continue to refine ADR processes based on mediation results and feedback from mediation participants.
- **2A-H.** Provide valuable, high quality, outcome-based services to the Agency's programs.
- Prioritize Information Technology efforts through the agency's new IT Governance Committee
- Identify and evaluate new technology and business processes, including the implementation of integrated software solutions, to improve operations and workflow.
- Treat all employees as valued customers to maximize employee performance, productivity and job satisfaction.
- Ensure a strong performance management system is utilized within the agency to create strategic alignment between the employee's responsibilities and the Agency's mission; one that establishes a pattern of direct communication between the supervisor and the employee and clearly defines expectations and performance measures.
- Retain a highly performing workforce and maintain an environment conducive to a high level of employee satisfaction.
- Develop a workforce dedicated to our mission and strengthened by its diversity, able and willing to meet and exceed the highest standards of conduct and performance.
- Identify and evaluate web and mobile applications to: 1) collect, share and maintain point of diversion, place of use, conveyance and other spatial data and 2) develop real-time map services.
- Ensure that strong retention systems are invested, i.e., a rewards and recognition system, competitive salary structure, opportunities for growth and advancement.
- Provide training to foster a greater knowledge base for staff and supervisors.
- Lead efforts to define and implement statewide visions.
- Participate in senior management meetings to identify program needs and issues.
- Foster frequent communication with program personnel to address needs and concerns.
- **7I .** Identify and pilot mobile and social capabilities of business process management software.
- **7J.** Continue to enhance the agency web site to support Active Water Resource Management activities.
- Continue to enhance the agency web site to support Litigation and Adjudication Program activities, including collaboration with claimants.
- Continue to update and expand Real Time Water Measurement System to support the installation of additional radio telemetry stations in various river basins.

Program Support (P554)

Strategic Actions

- **2K**. Support pilot opportunities to automate and manage the water rights administration process lifecycle.
- Identify and pilot opportunities to automate key business processes.
- Continue to schedule administrative hearings concerning protested and aggrieved applications and enforcement actions in a timely and efficient manner that provides for development of a complete record addressing availability and beneficial use of water, impacts to existing water rights, conservation of water and public welfare.
- Support Active Water Resource Management (AWRM) initiatives, including development of lists of administrable water rights for each stream system to enable allocating water in times of shortage.
- **2L.** Identify and evaluate web and mobile applications to 1) collect, share and maintain point of diversion, place of use, conveyance and other spatial data and 2) develop real-time map services.
- **2M.** Continue to modernize agency software, standardizing platforms and programing languages. Integrate databases and other applications which will simplify report generation and access to information for staff and the public.
- **2N.** Continue to upgrade cabling, servers and switches as part of on-going infrastructure improvement.
- Evaluate laptop encryption tools and methods.
- Improve facilities to safeguard IT equipment located in Agency district offices (Albuquerque, Roswell, Deming, Las Cruces, Aztec, Santa Fe and Cimarron).

Water Resource Allocation Program (P551)

Purpose of the Program

The purpose of the Water Resource Allocation Program is to provide for administration, distribution, protection, conservation and development of the state's surface water and groundwater resources including the implementation of Active Water Resource Management (AWRM).

Program Users

Program users are the public but more specifically all water right owners in New Mexico. For instance, this is any person, association or corporation, public or private, in the state of New Mexico that owns or leases water rights.

Program Summary

The Water Resource Allocation Program includes: the Water Rights Division, the Statewide Projects group, the Water Rights Abstract Bureau, the Hydrology Bureau; the Water Use and Conservation Bureau; and the Dam Safety Bureau.

Under New Mexico water law, all groundwater and surface waters are public waters of the state and subject to appropriation under the Doctrine of Prior Appropriation. The Doctrine of Prior Appropriation is a constitutional provision that states that earlier appropriations have priority over later appropriations. The Water Resource Allocation Program (WRAP) is primarily responsible for processing water rights applications, conducting the scientific research for making water rights decisions, maintaining water rights records, administering water rights to achieve sustainable groundwater supplies and compliance with interstate compacts, and enforcing any conditions or restrictions on water use. Also, the program has taken the lead on the Agency initiative referred to as Active Water Resource Management (AWRM). AWRM refers to a broad range of activities that enhances the State Engineer’s ability to manage and administer the actual use of water in the field and allows for “Alternative Administration” that is agreed upon by the stakeholders in a particular basin. These activities include the placement of measurement and metering devices, creation of water districts, appointment of water masters (in the field) development of water master manuals, abstracting paper files into the agency’s computer of water master manuals, abstracting paper files into the agency's computer database and implementation of district-specific rules and regulations. Water masters in the program measure stream flow, allocate water within a stream system based on state law, and regulate and control diversions.

Statutory Authority and Activities - See appendix for a comprehensive listing

Water Resource Allocation Program (P551)

Program Summary

WRAP staff inventories water resources, monitors water use and cooperates with the U.S. Geological Survey and the New Mexico Bureau of Geology and Mineral Resources in monitoring groundwater levels throughout the state. Additional program duties include licensing all well drillers, maintaining and updating the rules and regulations of the State Engineer, administering the Dam Safety Bureau, evaluating subdivision water supply plans submitted by counties, and promoting water conservation and education. The Water Rights Abstract Bureau populates the Water Administration Technical Engineering Resource System (WATERS) database with all the individual water rights files within the state and making the information available to the public through a~~n~~ internet-based New Mexico Water Rights Reporting System (NMWRRS). The Hydrology Bureau collects and analyzes data to support policy development and planning, evaluates the availability of water, provides expert testimony and performs other technical tasks. The Water Use and Conservation Program inventories water use in the state, calculates irrigation water right requirements and also coordinates water conservation activities in the state. The Dam Safety Bureau regulates jurisdictional dams that are over a certain height and storage volume to ensure that dam owners operate and maintain their facilities within the law and as safely as possible.

The seven Water Rights District offices around the state work very closely with the public as well as stakeholders and key partners both inside and outside of the agency to effectively administer New Mexico’s water resources. Staff from all seven district offices provide a statewide foundation for the application of NM Statute, rules and regulations by providing water resource management and administration support in the following areas:

- Evaluation of water right applications for new appropriations or to change an element of an existing water right.
- Evaluation of applications that include but are not limited to domestic wells, livestock wells, temporary construction wells, exploratory wells, monitoring wells, repair and/or deepening of wells, surface water impoundments, livestock impoundments, aquifer storage and recovery and changes of ownership of water rights.
- Regulating the construction and abandonment of wells.

Statutory Authority and Activities - See appendix for a comprehensive listing

Water Resource Allocation Program (P551)

Program Summary

- Maintaining accurate diversion records of both surface water and groundwater throughout the state. The Water Master program provides this support by measuring stream flow, allocating water within a stream system based on state water law and regulating and control diversions.
- Maintaining accurate water right records by analyzing and abstracting water rights files for entire water basins and populating the Water Rights Reporting System database.
- Ensuring compliance and enforcement within NM State Water Laws through the application of the recently enacted enforcement rule NMSA 72-2-18 (G).
- Reviewing and verifying water rights for recreational cannabis growing activities in cooperation with the Regulation Licensing Department /Cannabis Control Division.
- This fiscal year FY2026 the WRAP/WR District Offices continued reviewing and verifying water rights for recreational cannabis growing activities. The WRAP/WR staff receive from Regulation Licensing Department (RLD)/Cannabis Control Division a water right accession form, which is reviewed along with the appurtenant water rights to make sure the grower has valid water rights configured in the correct manner and in sufficient quantities. This fiscal year WRAP/WR received 132 submittals from RLD. About 50% of them were reviewed multiple times by staff, increasing the total number of reviews.
- Serving as an expert witness for the Water Rights Division during administrative proceedings.

Water Resource Allocation Program (P551)

Benefits to New Mexicans

- Accountability over agency fiscal activities and operations
- Process improvements and efficiencies for a Sustainable Water Supply
- Safe Drinking Water
- Safe Dams
- Accessible and Accurate Water Right Data
- Modern Water Right Administration of Water Resources
- Water Conservation research and best practice education for the public
- Well driller regulation and licensing, well compliance
- Decision making based on hydrological data, modeling, real-time water use data
- Fairness of water rights administration through promulgation of District Specific Regulations
- Water Use Information
- Cannabis Revenue for New Mexico/Economic Development
- Protection of sustainable groundwater supplies
- Assistance with compliance with interstate compacts

Statutory Authority and Activities - See appendix for a comprehensive listing

Water Resource Allocation Program (P551)

Program Goals and Objectives

1. Promote the effective administration, distribution, protection, conservation and development of the State's surface water and groundwater.

- **A**. Administer water rights from a business process management platform that includes a database of existing rights and applications; an on-line application workflow and document management system; and a geographic information system (GIS).
- **B.** Develop capability to enforce water rights permit conditions, court decrees, court orders, shortage-sharing agreements, etc. in AWRM priority basins so as to prevent impairment to existing water rights and to prevent illegal and over-diversions.
- **C.** Support water right application reviews with respect to 72-1-9, 72-5-1, 72-5-7, 72-5-23, 72-5-24, 72-5-7, and 72-12-3 NMSA.
- **D.** Ensure that water is available for the continued and future economic vitality of the State.
- **E.** Protect senior/existing water rights.
- **F.** Promote conservation and the efficient use of water.
- **G.** Provide governance and ensure compliance and accountability with the highest integrity and accuracy.
- **H.** Manage for the effects of hydrologic variability associated with climate change and extreme drought.
- **I.** Lead efforts to collect, store, analyze, disseminate and utilize water resource data.

2. Develop and use available water resources in an environmentally responsible manner consistent with state and federal laws.

- **A.** Support and oversee proposed development of deep non-potable aquifers.
- **B.** Promote development of green energy and desalination projects within New Mexico.

3. Protect and maximize the State's ability to develop and utilize the waters apportioned to it under interstate compacts and decrees.

- **A.** Ensure that there are no new net depletions to surface water sources, over and above those associated with existing water rights.

4. Expedite and support development of District Specific Regulations and support the licensing and/or adjudication of all water rights in the state.

- **A.** Expedite district Specific Regulations in key business.
- **B.** Continue to evaluate water use requirements for adjudications as listed in the Water Allowance Statute, 72.5.18.A.
- **C.** Continue licensing and adjudication of water rights in the Middle Rio Grande Stream System and related underground basin.
- **D.** Continue licensing of water rights in remaining stream systems of the state.

Water Resource Allocation Program (P551)

Program Goals and Objectives

5. Promote the safety and efficiency of New Mexico's water resource infrastructure.

- **A.** Provide a statewide dam safety program to ensure that dam owners manage risk to protect the public from loss of life and property damage due to dam failure or mis-operation.

6. Plan for New Mexico's future water needs.

- **A**. Enforce the restrictions contained in Article 72-1-9 (NMSA) for entities eligible for protection under the statute.
- **B.** Address non-use of water rights
- **C.** Promote government-to-government relationships with New Mexico's Tribes, Pueblos and Nations, concerning water resource issues coordinating with the Agency Tribal Liaison.
- **D.** Comply with the review requirement for county subdivision proposals as defined by 47.6.11.F. (1) within the 30-days required by 47.6.22.A.
- **E.** Utilize the recently enacted "Enforcement" statute, 72-2-18 (G) to protect senior and existing water rights and water resources throughout the state.

E. Create innovate solutions to help protect the future water needs within the counties.
F. Comply with the response requirement to the county board of commissioners as defined within 47.6.11.H.3.
G. Engage and collaborate with New Mexico's Pueblos, Tribes, and Nations concerning water rights issues to find the best approaches and /or alternative processes in order to streamline water planning, negotiations and adjudications

Water Resource Allocation Program (P551)

Strategic Actions

- **1A**. Support Development of District Specific Regulations in AWRM Priority Basins.
- **1B.** Continue to abstract and image existing water files for priority basins into the WATERS database including all applications and documents as they are acted upon.
- Utilize business management principles and software to automate and manage the water rights administration process lifecycle (define, model, design, deploy, execute, monitor, analyze, optimize) to meet agency customer service and operation goals.
- **1C.** Continue to hire and train water masters to promote adequate monitoring of water used and diverted within priority basins.
- Use meter data collected in all districts to track water use and to enforce against illegal diversions within priority basins.
- Extinguish non-used water rights where appropriate in accordance with the Forfeiture Statute.
- Perform field investigations in support of declarations filed, Proofs of Beneficial Use filed, and applications for transfer of water rights, etc.
- Monitor and track meter installation for groundwater wells in compliance with State Engineer metering orders.
- Monitor the installation of surface water measuring devices on prioritized points of diversion statewide to ensure compliance with permits, licenses, court decrees, shortage sharing agreements, etc.
- Continue to improve the maps on the website from a static map to a dynamic web-based map service.
- Accurately quantify water usage and identify water uses through data collection from surface water measuring devices on points of diversion and points of return for municipal use to ensure the accurate and equitable distribution of water.
- Use and verify data within the Real-Time Water Measurement Information System to monitor compliance in high-priority water management areas.
- Develop basin-specific water master rules and regulations including measuring/metering orders, water master manuals and settlement agreements already in place.
- **1D.** Coordinate review of 72-1-9 NMSA water development plans.
- Conduct reviews of water right permit applications for the impairment and conservation of water.
- Evaluate applications for new groundwater appropriations and water right transfers for availability of water, depletion effects and impairment to existing rights.
- Continue implementation of Administrative Guidelines in the Animas, Lordsburg, Clayton, Lea County, Curry County, Portales, Middle Rio Grande, Roswell, Estancia and Tularosa Underground Water Basins.
- Continue development and/or updating of Administrative Guidelines in the Taos, Lower Rio Grande (LRG), Capitan, Mimbres and other basins or areas as needed in response to water rights activity and/or litigation.
- Expand and improve the groundwater level monitoring network.
- **1E.** Develop method to capture and reflect the data collected on statewide measurement programs in a GIS platform making it available for temporal studies (timeframe two years).
- Hydrology Bureau will conduct and support new hydrologic data collection and studies, including aquifer mapping and characterization studies. It will also cooperate with other local, state and federal agencies and private entities to coordinate and prioritize technical efforts, avoid duplication of effort, leverage non-state funding and optimize use of state resources.

Water Resource Allocation Program (P551)

Strategic Actions

- Continue to collaborate with other local, state and federal agencies and private entities to coordinate and prioritize technical efforts related to the state's deep nonportable and brackish groundwater resources, to avoid duplication of effort, leverage non-state funding, and optimize use of state resources.
- WRAP will continue reviewing additional policies and actions to further reduce the use of freshwater resources for oil and gas activities.
- WRAP will continue to enforce the rescinded policy of issuing multiple NMSA 72-13-1.3 permits for oil and gas.
- **1F.** The WUCB will support the Water Rights District Offices and the LAP program with agricultural conservation as it pertains to 72-5-18 NMSA 1978. The WUCB will evaluate the CIR portion of any applications filed proposing the transfer of water rights obtained from agricultural conservation.
- The WUCB will ensure that water conservation measures are included in each proposed subdivisions water budget. They will review each subdivision proposal for indoor and outdoor water conservation measures and recommend xeriscaping as the appropriate approach for landscape design. The WUCB will continue to support rainwater harvesting and gray water reuse for landscape irrigation.
- The Hydrology Bureau will assist WUCB in the determination of water availability for proposed subdivisions in accordance with the respective County Guidelines.
- Promote statewide water conservation and the efficient use of water by providing technical assistance, education, and information through the development and implementation of policies and guidelines for drinking water suppliers, industrial, commercial, institutional and agricultural users."
- WRAP will continue reviewing additional policies and actions to further reduce the use of freshwater resources for oil and gas activities.
- WRAP will continue to enforce the rescinded policy of issuing multiple NMSA 72-13-1.3 permits for oil and gas.
- **1G.** Develop process for adaptation to the effects of climate change and extreme drought in water resource management.
- **1H.** Hydrology Bureau will improve public access to information through the agency library, including completing cataloging of the library collection and increasing the amount of information and documents available to the public via the agency website.
- **2A.** Hydrology Bureau will (in cooperation with WRD and LAP) review notices of intent filed under NMSA 72-12-25 through 28 in accordance with the statutes and any applicable rules, regulations, policies and guidelines.
- Regulate the drilling and construction of wells intended to tap deep non-potable aquifers under NMSA 72-12-25 through 28, in accordance with established rules and regulations.
- Hydrology Bureau will (in cooperation with WRD) perform the hydrologic analyses, as necessary, to calculate the effect of diversions from an aquifer proposed for use under NMSA 72-12-25 through 28 upon existing water rights.
- Continue management of existing hydrologic data collection programs, including the statewide cooperative groundwater level measurement program and other hydrologic data collection programs. It will also oversee measurement throughout the state by USGS and OSE/contractors of water levels in 400 to 500 wells in the Animas, Bluewater, Capitan, Carlsbad, Clayton, Cloverdale, Canadian River, Curry County, Lea County, Gallup, Hachita, Hondo, Jal, Lordsburg, Middle Rio Grande (MRG), Lower Rio Grande (LRG), Upper Rio Grande (URG), Playas, Penasco, Portales, Salt Basin, San Augustin Plains, San Juan, San Simon, Santa Fe, Tucumcari and Tularosa networks.

Water Resource Allocation Program (P551)

Strategic Actions

- Hydrology Bureau will (in cooperation with WRD and LAP): develop and implement basin-specific hydrologic models and guidelines for administration of water rights that ensure continued viability of hydrologic sources into the future in priority areas and basins.
- Evaluate permit applications for new underground storage and recovery (USR) projects, and actively administer existing USR permits in accordance with the Ground Water Storage and Recovery Act (NMSA 72-5A-1 through 72-5A-17) and USR regulations (19.25.8 NMAC).
- Develop and implement basin-specific hydrologic models and guidelines for administration of water rights to prevent impairment to existing water rights.
- Evaluate water right permit applications for impairment to existing water rights. Hydrology Bureau will complete its evaluations of unprotested applications in 30 days or less on average. Provide hydrologic assessments to Water Rights claims in Settlement proceedings.
- Provide technical assistance to the Litigation and Adjudication Program in support of litigation and adjudication activities as needed.
- Support Active Water Resource Management alternative administration.
- **2C**. Support, within the framework of NM water law, green energy and desalination projects in New Mexico.
- Support the water Sustainable Water Infrastructure Management (SWIM) process of the Wastewater Infrastructure Development Division with the New Mexico Environment Department.
- WUCB will obtain, compile and compute all necessary data associated with CIR's, FDR's and PDR's.
- Implement a pilot project to issue Licenses for a Basin in New Mexico as resources allow.
- **4C**. Continue to develop and implement with LAP a collaborative action plan for licensing water rights in the Middle Rio Grande as resources allow.
- 5A. Dam Safety Bureau will inspect or verify owner inspection of dams and evaluate existing jurisdictional dams to ensure these dams are operated and maintained in a safe condition and are in compliance with the rules and regulations (19.25.12 NMAC). Advise owners of required actions to address deficiencies and/or issue safety orders to dam owners to address immediate threats to public safety.
- Evaluate design and construction documentation on file and findings from site inspections to identify deficiencies in existing dams. Assess these deficiencies from risk perspective and emphasize the deficiencies with unacceptable risk to help prioritize resources and enforcement actions.
- Review engineering reports, construction drawings and specifications to evaluate designs for new dams or repair of an existing dam. Approve and issue permit for construction when the proposed design is found to meet the requirements of the rules and regulations.
- Inspect and monitor construction of new dams or repair of existing dams to ensure construction is in compliance with approved permit. Issue Certificate of Construction when dam owner demonstrates compliance with permit conditions.
- Evaluate Operation and Maintenance (O&M) Manuals and Emergency Action Plans (EAP) submitted by owners of dams classified as High Hazard and Significant Hazard potential. If the O&M Manual and EAP are acceptable, and all other regulatory conditions have been met, the bureau will issue a License to Operate for the dam.

Water Resource Allocation Program (P551)

Strategic Actions

- Implement a program to evaluate the inventory of jurisdictional dams using risk-informed-decision-making (RIDM) approach. This multi-year project will be advanced as resources are made available with the goal of ranking all dams based on relative risk for potential harm to life and property. This information will be available for capital outlay planning and for the prioritization of resources application and enforcement actions.
- **3A.** Require as necessary, valid water rights transfers for federal and state projects that result in new net depletions to surface water, over and above those associated with existing water rights.
- Continue to conjunctively administer water rights by evaluating all groundwater rights applications in stream-connected basins for depletions to the surface source and requiring and enforcing offsets of depletions. Deny those groundwater applications for which acceptable surface water offsets are not provided.
- **4B.** WUCB will compute defensible Consumptive Irrigation Requests (CIR's), Farm Delivery Requirements (FDR's) and Project Delivery Requirements (PDR's) to assist with the adjudication of water rights in the state of New Mexico.
- Evaluate Operation and Maintenance (O&M) Manuals and Emergency Action Plans (EAP) submitted by owners of dams classified as High Hazard and Significant Hazard potential. If the O&M Manual and EAP are acceptable, and all other regulatory conditions have been met, the bureau will issue a License to Operate for the dam.
- Implement a program to evaluate the inventory of jurisdictional dams using risk-informed decision making (RIDM) approach. This multi-year project will be advanced as resources are made available with the goal of ranking all dams based on relative risk for potential harm to life and property. This information will be available for capital outlay planning and for the prioritization of resources application and enforcement actions.

Water Resource Allocation Program (P551)

Strategic Actions

- Provide technical support to dam owners when resources allow. When resources are available staff will work with dam owner entities that receive capital outlay funds to address the design and construction of rehabilitation projects at existing dams. When resources are available assist dam owners with preparation of Emergency Action Plans (EAP's) and Operation and Maintenance Manuals and other documentation for regulatory compliance.
- **6A.** Require water development plans from covered entities applying for water rights appropriations or transfers.
- Evaluate and act on applications for new appropriations or water rights transfers into covered entities' systems from the perspective of there being a maximum amount allowable under the NMSA 72.1.9 (Water Development Plans).
- Conjunctively manage groundwater and surface water in groundwater basins that are stream-connected. Promote, through Basin Guidelines, Rules and Regulations or through WRD "policy" the acquisition of pre-1907 surface water rights for municipal use in groundwater basins that are stream-connected.
- **6B.** Perform annual "windshield" surveys and investigations of irrigated land within priority basins to determine which lands have been irrigated v. not irrigated. To maintain a record of irrigated land and land that has not been irrigated.
- Issue Notices of Non-Use-when appropriate to an owner of a water right that has not been legally and beneficially used for more than four consecutive years.
- **6C**. Introduce ideas of ways to assist the Pueblos, Tribes, and Nations to protect the aquifers and their water resources from being drained through outreach by the OSE/ISC Tribal Liaison.
- **6H.** Reach out to municipalities that are seeking information regarding the technology of Aquifer Storage and Recovery.

Performance Measures

	FY25 Actual	FY 26 Actual	FY27 Target	FY 28 Request
Number of transactions abstracted annually into the water administration technical engineering resource system database	25,015	12,731	25,000	15,000
Number of notices issued to owners of publicly–owned dams notifying them of deficiencies or potential issues	54	64	45	45
Average number of unprotested new and pending applications processed per month	30.5	35	35	35
Number of unprotested and unaggrieved water right applications backlogged	296	340	N/A	N/A

Litigation and Adjudication Program (P553)

Purpose of the Program

The purposes of the Litigation and Adjudication Program are: to obtain a judicial determination and definition of water rights in stream system adjudications to support effective water rights administration and promote the State’s ability to meet its interstate stream obligations; to resolve disputes arising out of applications filed with the State Engineer concerning the diversion and use of the State’s water; to initiate enforcement proceedings to ensure compliance with the water code, adjudication court orders, and State Engineer regulations, orders, permits, and licenses; and to represent the State Engineer and the State of New Mexico in all suits filed in either state or federal courts concerning water rights.

Program Users

Program users are water right owners, applicants for State Engineer permits, the State Engineer, and the other programs within the OSE/ISC.

Statutory Authority and Activities - See appendix for a comprehensive listing

Litigation and Adjudication Program (P553)

Program Summary

The General Counsel serves as the legal advisor to the State Engineer. Litigation and Adjudication Program (LAP) attorneys are commissioned as Special Assistant Attorneys General to represent the State Engineer in all matters in the state and federal courts and to represent the State of New Mexico in all pending water rights adjudications.

LAP is divided into five bureaus. Attorneys in the Administrative Litigation Unit represent the Water Rights Division of the Water Resource Allocation Program in all administrative hearings before the State Engineer and represent the State Engineer in appeals of State Engineer decisions to the courts, in enforcement proceedings to prevent illegal uses of water, and other litigation where the State Engineer is a party.

Three bureaus (Hydrographic Survey and Mapping Bureau, Pecos and Northern New Mexico Adjudication Bureau, and Lower Rio Grande Adjudication Bureau) are dedicated to conducting water rights adjudications on behalf of the State of New Mexico in state and federal courts. Technical staff in these bureaus have training and expertise in GIS, surveying, and engineering. They perform hydrographic surveys to provide the factual basis for all adjudication suits and work closely with legal staff to provide technical support for ongoing adjudications and other water rights related matters.

The newly-formed Bureau for Pueblos, Tribes, and Nations negotiates with Indian Pueblos, Tribes, and Nations to reach settlements which not only define tribal water rights but also future administrative procedures and, in some cases, the construction, operation, and maintenance of new water projects. This bureau's work also includes securing judicial approvals and legislative funding for Indian water right settlements.

The main LAP office is located in Santa Fe, and LAP also has some employees in Albuquerque. LAP also maintains a Lower Rio Grande adjudication survey office in Las Cruces, which is staffed with experienced hydrographic survey technical personnel to support the Lower Rio Grande adjudication and serves as a local point of contact for water rights owners involved in that adjudication.

Statutory Authority and Activities - See appendix for a comprehensive listing

Litigation and Adjudication Program (553)

Benefits to New Mexicans

- Judicial determination of water rights to support effective water rights administration and promote the State's ability to continue to meet its interstate stream obligations;
- Improved ability of the State Engineer to manage and allocate water in the face of increased hydrologic variability associated with climate change or extreme drought;
- Protection of existing water rights from impairment by proposed new or changed uses of water or from illegal or over-diversions of water;
- Increased certainty in water rights to protect existing uses and support future economic development;
- Resolution of Indian water rights claims to provide greater certainty to all communities; and
- Fairness and transparency of water rights administration through promulgation of District Specific Regulations.

Statutory Authority and Activities - See appendix for a comprehensive listing

Litigation and Adjudication Program (P553)

Program Goals and Objectives

1. Promote the effective administration, distribution, protection, conservation and development of the State's surface and groundwater.

- **A**. Develop capability to enforce water rights permit conditions, court decrees, court orders, shortage-sharing agreements, etc. in AWRM priority basins including through district specific regulations, so as to prevent impairment to senior water rights and to prevent illegal and over-diversions.
- **B.** Ensure that water is available for the future economic vitality of the State.
- **C.** Protect senior water rights.
- **D.** Promote conservation and the efficient use of water.
- **E**. Manage for the effects of climate change associated with warming temperatures or extreme drought.
- **F.** Preserve state administrative authority over the State's waters.

- **3. Protect and maximize the State's ability to develop and utilize the waters apportioned to it under interstate compacts and decrees**
- **A.** Quantify and define valid existing rights to the use of water from streams subject to interstate compacts and decrees through the adjudication and licensing processes.

4. Complete all pending water rights adjudications in the State.

- **A.** Continue the adjudication of water rights in the eleven adjudication suits pending in the State.
- **B.** Continue implementation of pending water rights settlements with Pueblos, Tribes, and Nations.
- **C.** Negotiate Settlements of unresolved water right claims of Pueblos, Tribes, and Nations across the State.

Litigation and Adjudication Program (P553)

Strategic Actions

- **1A-F.** Provide legal advice to the activities of water masters.
- Support WRAP's abstracting and imaging of existing water files for priority basins into the WATERS database, including all applications and documents as they are acted upon.
- Collaborate with WRAP to develop lists of administrable water rights for AWRM priority basins.
- Provide legal advice and litigation support to WRAP for challenges to metering implementation.
- Provide legal and litigation support for implementation of and challenges to AWRM framework and district-specific regulations. Collaborate with WRAP to draft, promulgate, and implement district-specific AWRM regulations
- Provide legal and litigation support to State Engineer in appeals of State Engineer actions and decisions.
- **3A**. Obtain additional court orders adjudicating water adjudications pending across the state.
- **4A.** Continue prosecution of the Pecos River water rights adjudication.
- Continue prosecution of the Lower Rio Grande water rights adjudication.
- Continue prosecution of water rights adjudications pending in Upper Rio Grande tributaries.
- Continue the prosecution of the San Juan water rights adjudication.
- **4B.** Continue to implement the Taos and Aamodt Indian water rights settlements.
- Continue to Implement the Navajo Nation Water Rights Settlement.
- **4C.** Shepherd the outstanding negotiated Pueblo water rights settlements (Rio Jemez, Rio San Jose, Zuni, Ohkay Owingeh) through the federal and state legislative process and proceed towards entry of court order recognizing the Pueblos' water rights.
- Negotiate settlements resolving the claims of Ohkay Owingeh and Santa Clara Pueblos in the Rio Santa Cruz stream system.
- Negotiate settlement resolving the claims of the Ute Mountain Ute Tribe.
- Begin negations with the six Middle Rio Grande Pueblos (Cochiti, San Felipe, Sandia, Kewa, Santa Ana, and Isleta) regarding settlement of their water rights.

Performance Measures

	FY24 Actual	FY25 Actual	FY 26 Actual	FY27 Target	FY 28 Requested Target
Number of offers to defendants in adjudication	406	328	246	330	330
Percent of all water rights with judicial determinations	77%	66.6%	66.9%	76%	76%
Number of cases docketed in the State Engineer's Hearing Unit	62	46	25	23	N/A
Proportion of sections within each adjudication for which partial final judgement and decrees have been entered	33%	33%	33%	35%	35%

Statutory Authority (By Program)

Interstate Stream Commission

72-15-1 through 72-15-28 NMSA 1978
72-14-1 through 72-14-44 NMSA 1978

Water Resource Allocation Program

72-1-1 through 72-1-9 NMSA 1978
72-5-11 NMSA 1978
72-5-34 NMSA 1978

Litigation and Adjudication Program

72-1-11 NMSA 1978
72-2-10 NMSA 1978
72-2-18 NMSA 1978
72-4-13 through -17 NMSA 1978
72-4-19 NMSA 1978
72-5-39 NMSA 1978
72-8-1 through -6 NMSA 1978
72-12-11 NMSA 1978
72-12-14 NMSA 1978
72-12-15 NMSA 1978

Activities (By Program)

Interstate Stream Commission

Negotiate with other states to settle interstate stream controversies.
Ensure interstate stream compact compliance.
Comply with provisions of the U.S. Supreme Court's decisions governing water allocation on the Pecos, Canadian, Gila and San Francisco and San Simon Rivers in New Mexico.
Analyze, review, and implement projects in New Mexico to assure compact compliance.
Evaluate potential water-supply impacts in New Mexico of projects in other states.
Collaborate with federal, state and local entities to address statewide water issues.
Analyze stream flows, reservoir levels, snowpack and other data on stream systems in New Mexico and neighboring states.
Protect current and planned future water uses in the state.
Ensure Endangered Species Act (ESA) compliance.
Support and provide assistance/State cost share for the Army Corps of Engineers program which provides a federal match for Acequia restoration projects.
Manage the 90/10 Acequia grant program.
Administer Acequia capital outlay projects by the legislature.
Ensure compliance with the Open Meetings Act.
Brief members of the commission in preparation for meetings.
Analyze, manage and reconcile revenues, budgets and grants to assure compliance.
Process invoices, travel, per diem and reimbursements for payment in accordance with Executive policies.
Prepare requests to hire, conduct interviews, process hiring documents, train and conduct employee evaluations.

Plan for the future use of water so that the people of New Mexico can have maximum sustained beneficial use of available water resources.
Develop water resources and stream systems in an environmentally sound manner.
Work with local entities to support development of Regional Water Plans across New Mexico.
Development of a New Mexico 50-Year Water Plan.
Participant in implementing the Water Data Act.
Participate and or manage river maintenance, habitat restoration and vegetation removal projects.
Administer State cost share requirements for implementation of projects associated with several Indian Water Rights Settlements.
Participate in studies and assist in the development of any water in the Salt Basin.
Perform maintenance and vegetation control.
Provide grants and loan funds for irrigation system improvements and for rehabilitation of acequias and ditches.
Provide assistance to Acequias seeking funding for their project.
Manage and operate Ute and Eagle Nest Dams, water well fields, and provide a water master for the Costilla Creek.
Schedule and conduct Interstate Stream Commission meetings.
Prepare and review agenda items to be consider for the Interstate Stream Commission meetings.
Prepare and process ITBs, RFPs, contracts, work orders and requests to purchase in accordance with statutes.
Prepare budget requests, capital requests, operating budgets, and budget adjustments for DFA.

Activities (By Program)

Water Resource Allocation Program

Processing of Changes of Ownership of Water Rights.
Processing of Declarations of Ownerships of Water Rights, including Field Investigations, ownership validation, and validity determinations.
Processing of Applications for Extensions of Time.
Processing of Proof of Beneficial Use (PBU). (This requires a field investigation and the drafting and issuing of a License to the owner of the water right.)
Drafting and Issuance of License to Appropriate (New format).
Processing of Domestic Well Applications: new, replacements, supplemental, repair/deepen.
Processing of groundwater monitoring and exploratory well Applications.
Processing of ground source heat pump Applications.
Processing Declarations of Livestock Watering Impoundments.
Processing Applications for Livestock Watering Impoundments.
Underground Storage and Recovery (USR: pilot/demonstration project permitting; full-scale project permitting; and accounting and compliance.
Deep Non-Potable Aquifer/Well Permitting and Construction.
Research complaints on illegal water use: field investigations; memoranda; notices of violation; follow-up; compliance orders.
Serve as Expert Witness on WR Application at OSE Administrative Hearings & District Court: prepare internal documents; pre-hearing scheduling conference attendance; preparation of exhibits; review of exhibits; deposition testimony; hearing/trial testimony; review of WRD's proposed findings of fact and conclusions of law; attendance at mediation/settlement negotiations.
Review Well Plugging Plans of Operation, including variance requests, and write Conditions of Approval.

Review Artesian Well Plans of Operation and write Conditions of Approval.
Review and enter Meter Readings into WATERS database.
Water Master duties.
Construct, update, and maintain Geodatabase.
Enter Domestic and Non-Domestic data into WATERS database.
Develop basin-specific guidelines for application review and water rights administration.
AWRM District Specific Rules (DSR) development and promulgation.
Agency Rules development and promulgation.
Policy development and review.
Enter Domestic and Non-Domestic data into WATERS database.
Develop basin-specific guidelines for application review and water rights administration.
Licensing of NM Well Drillers.
Help walk-in customers with the following: •General water right questions •Locating and mapping wells/water rights •Filling out of forms •Filing of applications and other documents •Pulling water right files •Well construction and abandonment questions •Website and NMWRSS navigation •Other questions where other governmental entities have failed or refused to assist the customer. •Telephone customers with the same topics as walk-in customers.
Respond to IPRA Requests for information.
Review WTB Funding Applications for WR compliance and respond to NMFA. Review Water Rights for Cannabis production

APPENDIX

Activities (By Program)

Water Resource Allocation Program

Review Colonias Funding Applications for WR compliance and respond to DFA.
Governor & Legislative Constituent Issues (May Require field visit and file research and Memorandum).
Provide WR 101 type presentations (To public, Federal agencies and Realtors Groups etc.)
Attend meetings with other state agencies, federal agencies, consultants, attorneys during the workday and in the evening. Provide information and assistance.
Process Applications to Repair/ Deepen Wells.
Process Emergency Requests to Drill Supplemental or Replacement Wells.
Assist with Mutual Domestic Water Consumer Association Applications (those entities that want to switch from indoor use to Mutual Domestics.
Inspect Artesian Well casing prior to well construction.
Witness Artesian Wells cementing.
Witness Artesian Well pressure tests.
Review Well Records for regulatory compliance.
Assist other Bureaus with field/crop surveys.
Water right reviews as components of state agencies' permit reviews, especially in coordination with Hydrology Bureau.

Program Support

Prepare, enter and monitor the agency's budget in compliance with Budget Act and Department of Finance and Administration requirements.
Enter and process financial transactions ensuring compliance with Department of Finance and Administration requirements.
Process Human Resources transactions ensuring compliance with State Personnel requirements.
Maintain an IT infrastructure and application environment that allows the agency to fulfill its mission and statutory obligations.
Provide information to the public regarding agency activities.
Provide information to the media and public requests.
Hold hearings to resolve water rights issues/disputes.
Monitor facilities and assets of the agency in support of the agency's mission.

Activities (By Program)

Litigation and Adjudication Program

Obtain a judicial determination and definition of water rights within each stream system.
Provide legal support for the administration of water rights within each stream system.
Promote the State's ability to meet its interstate stream obligations.
Resolve disputes arising out of applications filed with the State Engineer concerning the diversion and use of the State's water.
Represent the Water Rights Division in administrative hearings relating to State Engineer permit administration.
Initiate enforcement proceedings to ensure compliance with the water code, adjudication court orders, and State Engineer regulations, orders, permits and licenses.

Represent the State Engineer and the State of New Mexico in all suits filed in either state or federal courts concerning water rights.
Negotiate with Tribes, Nations and Pueblos through the Tribes, Pueblos and Nations Bureau concerning their water rights claims and obtain judicial determinations of their water rights.
Prepare hydrographic surveys and reports and provide technical expertise to aid in the adjudication of water rights within the State.
Promulgate and implement State Engineer regulations governing administration of water within the State.

Fiscal Year 2028

Office of The State Engineer/ Interstate Stream Commission

IT STRATEGIC PLAN

Fiscal Year 2028
New Mexico Office of the State Engineer
IT STRATEGIC PLAN
September 1, 2026

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EXECUTIVE SUMMARY

1. Agency Purpose and Strategic Context

The Office of the State Engineer (OSE), together with the Interstate Stream Commission (ISC), is responsible for administering, protecting, and allocating New Mexico's surface and groundwater resources. This responsibility extends across intrastate and interstate basins, ensuring compliance with eight interstate stream compacts and safeguarding New Mexico's legal entitlements to water. As climate pressures intensify and statewide demand continues to grow, OSE/ISC must manage increasingly complex hydrologic, regulatory, and operational environments. The agency's long-term economic and ecological stewardship depends on modern tools, secure systems, and data-driven decision-making that preserve both current water uses and future sustainability.

FY28 represents a pivotal year: Our ability to administer New Mexico's water resources now relies on technology modernization, resilient cybersecurity, expanded digital services, and elevated data transparency. IT has shifted from simply supporting business operations to being a strategic driver of agency mission delivery.

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2. Agency Priorities and How IT Supports Them

OSE's enterprise priorities continue to center on **water administration integrity**, **interstate compliance**, **public transparency**, and **operational efficiency**. In FY28, IT will directly enable these priorities through:

- **Modernizing mission-critical systems** that support water rights administration, metering, hydrologic data, GIS mapping, and compact compliance.
- **Strengthening statewide cyber-resilience** through cloud-native security, automated threat response, continuous monitoring, and improved identity governance.
- **Expanding real-time, data-driven decision capability** using modern GIS platforms, analytics dashboards, and shared data services.
- **Enhancing public service delivery**, enabling broader online application intake, fee payment, public data access, and streamlined workflows.
- **Supporting a flexible workforce** through virtual desktops, cloud-managed endpoints, and secure telework options aligned with statewide DoIT strategy.

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3. Major Change in Direction Compared to FY27

Last year's strategy emphasized shifting OSE/ISC away from aging on-premise systems and toward a cloud-first posture. FY27 investments included:

- Migration to **hybrid Azure Active Directory** and adoption of a **single statewide identity provider**.
- Implementation of **Microsoft Defender EDR** and **full BitLocker encryption** across all workstations to meet DoIT statewide mandates.
- Early-phase AWS planning aligned with DoIT's cloud objectives, including readiness assessments and phased migration preparation.

For FY28, the agency will **accelerate and mature** these changes:

- **Complete primary workload migrations into Cloud**, enabling scalable, highly available hosting for core water administration systems.
- **Advance the virtual desktop transition** to support remote hydrology, field inspections, and multi-site operations.
- **Deploy cloud-native backup, replication, and continuity strategies** to strengthen statewide disaster-recovery posture.
- **Increase automation** for incident response, compliance reporting, and security enforcement.
- **Modernize remaining legacy applications**, including components supporting water rights, metering, WATERS, and public-facing services.

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4. Key FY27 Accomplishments Informing FY28 Direction

In FY27 NM OSE IT successfully:

- Completed statewide-mandated identity modernization (hybrid Azure AD → cloud-only provisioning).
- Strengthened endpoint security posture through EDR expansion and full-fleet encryption.
- Advanced cloud readiness, including major initiatives for AWS migration (system inventory, dependency mapping, migration plans).
- Improved digital service delivery and initiated modernization planning for mission-critical systems, including WATERS 2.0 discovery.

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5. FY28 CIO-Level Strategic Vision

The FY28 vision focuses on **modernization, resilience, and transparency**:

- **Modernization:** Replace or refactor legacy systems, deploy cloud-native architectures, and integrate advanced analytics for compact compliance and hydrologic decision-support.
- **Resilience:** Strengthen cybersecurity through layered controls, automated response, continuous monitoring, and cloud-based high availability.

- **Transparency & Service Delivery:** Expand intuitive public portals, improve access to water-rights and hydrologic data, and streamline digital permitting.
- **Operational Excellence:** Mature project governance, documentation standards, and enterprise architecture practices; continue aligning all initiatives with statewide DoIT requirements and timelines.

I. AGENCY OVERVIEW

A. Agency Mission

The New Mexico Office of the State Engineer (OSE) and the Interstate Stream Commission (ISC) exist to manage, allocate, and protect the state's vital water resources. These agencies are tasked with ensuring that New Mexico's waters are put to beneficial use in accordance with state and federal law, while also planning for and addressing the state's long-term water needs. OSE oversees the appropriation and administration of surface and groundwater resources, while ISC focuses on strategic water planning and compliance with interstate water compacts. Together, these agencies balance water use for agriculture, municipalities, industry, and the environment.

Mission

To actively protect and manage the water resources of New Mexico for beneficial uses by its people, in accordance with the law.

The Agency IT Plan supports this mission by delivering secure, modern, and efficient technology systems that streamline agency operations, improve access to data, enhance public services, and enable better decision-making across all water management programs. Investments in infrastructure, cybersecurity, and application modernization ensure that the agency can meet its legal obligations, support its workforce, and engage with stakeholders effectively.

B. Agency Goals

The OSE/ISC IT program is guided by the following strategic goals:

• Modernize core applications and infrastructure to improve availability, performance, and security.

• Enable a secure and flexible workforce through cloud-managed devices and robust endpoint protections.

• Expand real-time data access and GIS-enabled decision-making for more informed water management.

• Institutionalize project management, business analysis, and documentation practices for consistent and successful project delivery.

• Deliver public-facing tools and services that are intuitive, accessible, and reliable.

C. Vision and Priorities

Our agency envisions a trusted leader in water resource management, delivering innovative and sustainable solutions for the benefit of all communities.

The Agency IT Plan is strategically aligned with this vision by ensuring that technology investments and initiatives drive innovation, enhance service delivery, and support sustainable growth. By leveraging modern IT infrastructure, data analytics, and secure platforms, IT empowers the agency to realize its future aspirations efficiently and effectively.

Furthermore, the IT Plan is closely coordinated with the broader Agency Strategic Plan to ensure that technology efforts directly support key strategic priorities, enabling measurable progress toward the agency's long-term goals.

Together, these aligned plans create a cohesive roadmap that advances the agency's vision and strengthens our ability to serve the public now and into the future.

D. Agency Description and IT Organization Structure

The New Mexico Office of the State Engineer (OSE) and the Interstate Stream Commission (ISC) together form a statewide organization responsible for the appropriation, administration, protection, and long-term planning of New Mexico's water resources. As reflected throughout the FY28 NMOSE IT Strategic Plan, the agency's programs operate across multiple hydrologic, legal, administrative, and technical domains to ensure water is used beneficially, data is available to policymakers and the public, and compliance is maintained with eight interstate river compacts.

i. Programs and Major Functional Areas

OSE/ISC is composed of several major program areas, each with specialized responsibilities supporting water administration and interstate-compliance activities:

- **Water Rights Division (WRD)** – Oversees water rights permitting, administration, and regulation statewide.
- **Interstate Stream Commission Programs** – Manage interstate compact obligations, river operations, strategic water planning, and basin-specific modeling.
- **Hydrology & Measurement Programs** – Provide field-based metering, measurement, and hydrologic analysis; support basin modeling and data interpretation.
- **Legal and Adjudication Programs (LAP)** – Manage adjudication cases, legal compliance work, and administration of court-related water rights determinations.
- **Dam Safety Bureau** – Regulates and inspects dams statewide, ensuring safety, engineering compliance, and emergency readiness.
- **IT Services & Technical Infrastructure** – Provide enterprise application support, GIS services, cybersecurity, cloud infrastructure, data-management platforms, end-user support, and technology modernization efforts.
- **Administrative & Finance Programs** – Support budgeting, procurement, HR operations, and statewide compliance requirements.

Employees supporting these programs work across multiple regions and office locations in Santa Fe, Albuquerque, Las Cruces, and additional field offices.

ii. Major Locations

Core operations for OSE/ISC span statewide facilities including:

- **Santa Fe (Headquarters)** – Primary administrative and program leadership center; home to IT Services, Legal, Finance, HR, Dam Safety, and Water Rights Administration.
- **District Offices** – Located in Albuquerque, Las Cruces, Roswell, Deming, Aztec, Cimarron, and other field locations, supporting metering, hydrology, inspections, and local water-rights operations.
- **Technical Field Stations & Measurement Sites** – Support metering orders, flood-response measurement, SCADA operations, and compact-monitoring systems as described in internal program-director briefings.

iii. Program Staffing Overview

Although specific employee counts vary across bureaus and districts, programs include:

- **Scientific & Technical Staff** – Hydrologists, Water Masters, GIS specialists, engineers, metering technicians, field measurement staff.
- **Legal & Regulatory Staff** – Attorneys, adjudication specialists, paralegals, compliance officers.
- **Program Management & Administrative Staff** – Program directors, analysts, planners, administrative personnel supporting operations and statewide reporting.
- **IT Services Staff** – Application developers, GIS developers, IT system administrators, cybersecurity personnel, end-user support technicians, and project/business analysts.

iv. IT Organization Structure

The OSE IT program is led by the Chief Information Officer, supported by Deputy CIOs for Infrastructure and Application Development.

IT is composed of several functional teams:

- **IT Infrastructure & End-User Services** – Responsible for networking, cloud platforms, identity management, endpoint management, security monitoring, and VMware/cloud hybrid environments.
- **Applications & GIS Development** – Maintains WATERS, WRATS, NMWRRS, GIS systems, agency web platforms, database environments, and mission-critical applications.
- **Cybersecurity & Compliance** – Ensures adherence to statewide DoIT standards, manages EDR, identity governance, encryption, and security auditing.
- **Project Management & Business Analysis** – Supports modernization initiatives, cloud migration, application lifecycle planning, and cross-bureau coordination.

v. Reference to Appendix Charts

The full **Agency Organization Chart** (through the bureau level) is included in **Appendix A-I** of this plan.

The **Information Technology Organization Chart** detailing CIO leadership, deputy roles, and functional teams is included in **Appendix A-II**.

II. IT ENVIRONMENT

A. Major Applications

The agency's major applications support mission-critical responsibilities that span regulatory oversight, water-rights administration, hydrologic data collection, geospatial analysis, adjudication processes, public transparency, and interstate-compact compliance. These systems enable day-to-day operations across OSE/ISC by ensuring accurate water-rights records, real-time field measurements, secure data storage, efficient workflows, and reliable public-facing services. Together, these applications form the backbone of the agency's operational, analytical, and statutory functions.

TABLE 1.1: Major Applications

Application Name	**Purpose / What It Does**	**Mission Critical?** (Yes/No)	**Data Types Handled**	**Hosting Type** (On-Prem / Cloud / SaaS)	**Vendor or Internal**
WATERS (Water Administration Technical Engineering Resource System)	Supports adjudication case management, generates legal pleadings and basin-specific adjudication reports (Hydrographic Survey Reports, Consent Orders, Partial Final Decrees).	Yes	Legal records, hydrologic data, adjudication documents, PII	On-Prem	Internal
WRATS **(Water R**ights **A**djudication Tracking System**)**	Historical & transactional database for all water-rights records; supports permitting, compliance enforcement,	Yes	Water-rights data, historical transactions, maps, administrative documents, PII	Hybrid (On-Prem with cloud migration roadmap)	Internal

	record management.				
Real-Time Water Measurement System (RTMS)	Collects telemetry from gages, wells, acequias, and ditches; supports interstate-compact compliance and hydrologic operations.	Yes	Telemetry data, hydrologic measurements, SCADA inputs	On-Prem / Cloud integrated	Internal
OSE/ISC Website & Open Data Platforms	Provides public access to agency resources, applications, drought information, online submission modules, payment systems, and GIS data.	Yes	Public records, GIS layers, applicant data, PII	Cloud / SaaS	External vendor + internal content support
Enterprise GIS (eGIS)	Provides geospatial tools for mapping, analysis, adjudication support, hydrologic modeling, and decision-support across bureaus.	Yes	Spatial datasets, land-use data, meter locations, environmental data	Cloud + On-Prem ESRI environment	ESRI
Feith Document Management System	Manages digitized water-rights documents, adjudication files, scanned historical records, and public images.	Yes	Scanned documents, legal records, PII	On-Prem / Cloud linked	Vendor
SCADA Basin Measurement Systems	Real-time surface & groundwater data collection supporting Pecos Basin and other compact compliance operations.	Yes	Telemetry data, SCADA sensor outputs	Field systems + integrated databases	Internal + external partners

Water Rights Reporting System (NMWRRS)	Public web application allowing users to query statewide water-rights records.	Yes	Water-rights data, PII, administrative records	Cloud / On-Prem	Internal
Aquadesk ITSM Platform	IT service management (ticketing, asset tracking, workflow management). Supports continuity and IT operations.	No (Operationally Essential)	Ticket data, IT documentation, asset metadata	On Prem	Vendor

B. Security

The Office of the State Engineer (OSE) and Interstate Stream Commission (ISC) maintain a comprehensive, multi-layered security program designed to safeguard technology systems, sensitive information, facilities, and personnel. The agency's security posture continues to mature in alignment with statewide DoIT cybersecurity requirements, Executive Order 2024-011, and NIST Cybersecurity Framework (CSF) Moderate baselines. FY28 focuses on expanding automation, strengthening governance, retiring end-of-support systems, and improving agency-wide readiness.

Technology & Information Security

OSE/ISC employs a layered defense strategy that includes enterprise firewalls, secure VPN/remote-access solutions, multi-factor authentication, and endpoint protection through Microsoft Defender for Endpoint and Defender for Identity. All agency workstations are encrypted using BitLocker and enrolled in Entra ID/Intune for centralized compliance, configuration enforcement, and monitoring. Security operations include:

- Continuous monitoring through Microsoft Defender.
- Automated detection and response capabilities across all active endpoints.
- Regular patching, vulnerability remediation, and workstation/server lifecycle management.

Modernized network and web-application protection using FortiWeb Web Application Firewall(WAF) to secure public-facing applications. Significant FY28 work is underway to eliminate security risks associated with outdated operating systems. OSE/ISC is actively retiring unsupported versions of Windows 10, Windows Server 2012/2012 R2, and Windows Server 2008 R2 under a remediation plan that ensures NIST compliance and secure system lifecycle practices.

Facility & Personnel Security

Physical security is maintained through controlled building access, badge entry systems, secure server rooms, and restricted access protocols. Sensitive IT infrastructure—such as telemetry servers, on-premise systems supporting WATERS or WRATS, and backup servers—is housed within locked, access-limited facilities.

Employees must follow agency security policies for device use, remote access, information handling, and incident reporting. Facilities operations support secure entry and environmental controls for datacenter areas.

Annual Security Assessment

The agency follows recurring assessment cycles consistent with statewide cybersecurity standards. Prior assessments, including bi-annual penetration testing referenced in OSE FY27 Agency IT Strategic Plan, identified improvements that were incorporated into the agency's current remediation plans for unsupported systems, endpoint modernization, and identity protection.

For FY28, OSE/ISC is scheduled to complete its annual cybersecurity assessment by **September 2026**, ensuring that the agency remains compliant with statewide standards and continues progress toward NIST CSF Moderate.

Cybersecurity Awareness Training

Cybersecurity awareness training is mandatory for all OSE/ISC employees and contractors. Training is delivered annually through **KnowBe4**, coordinated by New Mexico DoIT, and includes topics such as:

- Phishing and social-engineering awareness
- Password and identity security
- Data-handling and classification requirements
- Safe browsing and malware prevention

Completion of training is tracked for compliance, and additional targeted campaigns are deployed when statewide alerts or OCS advisories indicate elevated threat levels.

FY28 Security Posture Priorities

OSE/ISC's FY28 priorities expanded on last year's accomplishments:

- Advancing NIST CSF Moderate maturity and governance integration.
- Modernizing firewalls, telemetry systems, and public-facing application protections.
- Completing operating-system remediation and eliminating unsupported platforms.
- Enhancing resiliency through cloud-native backup, disaster recovery, and air-gapped storage.
- Improving security automation, log centralization, and identity governance.

C. Agency IT Certified Projects

The Office of the State Engineer (OSE) and Interstate Stream Commission (ISC) pursue certified IT projects that directly advance the agency's statutory mission to administer, manage, and protect New Mexico's water resources. These projects improve data availability, modernize core mission systems, enhance public services, strengthen measurement and compliance capabilities, and reduce operational risk associated with legacy technology. Each certified project aligns with enterprise priorities described in the Agency Goals and Vision sections, particularly modernization, improved service delivery, enhanced operational efficiency, and secure, resilient infrastructure support.

The following list reflects **current DoIT-certified projects**, including those in active phases and those in recent closeout status, as documented in enterprise records.

TABLE 1.2: Current Certified IT Projects

WATERS Modernization	
Project Description	Analysis & Discovery phase for replacing the Water Administration Technical Engineering Resource System (WATERS). This modernization will create a scalable, user-friendly, data-rich system to support statewide water-rights administration, improve workflow efficiency, expand reporting capacity, and reduce dependency on the aging Informix/4GL platform.
Estimated Project Costs	$5,000,000
Current Funding	$500,000
Certified Project Phase	Discovery/Planning
Estimated Completion	December 31, 2026
Strategic Priority	High - Innovate to make agency operations more efficient and deliver better services to constituents.
Real-Time Measurement System (RTMS) Modernization	
Project Description	Modernization of the Real-Time Water Measurement System (RTMS), which collects telemetry from statewide gages, wells, acequias, ditches, and river-operation sites. This upgrade improves measurement reliability, network resiliency, statewide data availability, and compliance reporting for hydrology programs and interstate compact operations.
Estimated Project Costs	$500,000
Current Funding	$500,000
Certified Project Phase	Deployment
Estimated Completion	April 30, 2027
Strategic Priority	High - Innovate to make agency operations more efficient and deliver better services to constituents

D. Workforce

Full Time Internal IT Employees

OSE/ISC maintains 19 authorized IT FTEs, with 14 filled and 5 vacant positions. The IT workforce is composed of specialized roles across applications development, GIS, infrastructure, systems administration, cybersecurity, and end-user support. IT staff work on-site, with occasional travel to support remote offices. Workforce gaps include critical roles in applications development, systems administration, GIS development, and end-user support, along with strategic future-state needs in procurement, analytics, database administration, and network management. These needs directly impact system modernization, security compliance, and timely delivery across headquarters and district offices.

1

IT Professional Services Contractors

OSE/ISC utilizes IT professional services contractors to supplement internal capabilities, support specialized modernization efforts, and maintain critical infrastructure and security operations. Contractor engagement allows the agency to meet project timelines, fulfill mandated statewide requirements, and access specialized expertise not available in current staffing levels.

Contractor's Name	Contractor's Employee Name(s)	Category of Services
Real Time Solutions	Sai Bandi, Huang, George	Application modernization, development support
GouDa IT Consulting LLC	Cesar Goulart	IT General Consultant

E. Challenges

Agency IT Challenge Description	Potential Opportunities to Address the IT Challenge Description
Legacy Systems and Technical Debt *Challenge:* Outdated applications and infrastructure limit performance, integration, and maintainability.	*Opportunity:* Prioritize modernization efforts through phased system replacements, cloud adoption, and leveraging enterprise platforms.
Limited Staffing and Specialized Expertise *Challenge*: **The small IT team is**	*Opportunity: Explore shared services with other agencies, targeted training, and strategic outsourcing or contracting to fill critical skill gaps.*

stretched across operations, support, security, and project work.	
Cybersecurity and Compliance Requirements *Challenge:* Evolving threats and compliance mandates require continuous monitoring, training, and technology upgrades.	*Opportunity: Build on existing DoIT support, enhance endpoint visibility, and improve response capabilities through automation and zero-trust architecture.*
Data Integration and Accessibility *Challenge:* Data is siloed across different applications, limiting holistic analysis and timely reporting.	*Opportunity: Develop standardized data models, improve API integration, and expand use of business intelligence tools.*
Budget Constraints *Challenge:* Limited funding slows technology upgrades and staffing enhancements.	*Opportunity: Pursue federal or state grant opportunities, participate in multi-agency procurement efforts, and prioritize investments with the greatest operational return.*

III. PRIOR FY KEY ACCOMPLISHMENTS

Over the past fiscal year, OSE/ISC achieved substantial progress in modernizing its IT environment, strengthening cybersecurity, enhancing infrastructure reliability, and improving operational efficiency. These accomplishments reflect coordinated efforts across identity modernization, endpoint protection, network security enhancement, cloud readiness, and IT service modernization — all supporting improved service delivery, a more resilient remote-capable workforce, and stronger protection of agency data.

A. PRIOR FY Strategic IT Accomplishments

TABLE 1.3a: Priority 1

STRATEGIC PRIORITY 1 – Cloud Migration and Infrastructure Modernization	
Modernize OSE/ISC’s technology environment by accelerating cloud readiness, standardizing device and identity management, and replacing aging infrastructure to improve availability, security, scalability, and operational efficiency.	
FY26 Strategy 1	

Accomplishments	• Expanded hybrid Entra ID environment; improved identity governance and administrative security through cloud-based LAPS. • Standardized workstation deployment using Windows Autopilot, Intune, and Company Portal.
Outcomes/Metrics	• Increased device compliance and standardized lifecycle management. • Reduced onboarding time for new workstations and improved inventory accuracy
FY26 Strategy 2	
Accomplishments	• Advanced cloud readiness with workload roadmap development and infrastructure modernization planning. • Initiated modernization roadmap for virtual desktop services and identified aging servers for retirement.
Outcomes/Metrics	• Defined migration sequencing for core workloads. • Reduced reliance on aging on-prem systems and improved long-term scalability.
FY26 Strategy 3	
Accomplishments	• Delivered full WAN/LAN network buildout for the new Rodeo Park site ahead of occupancy.
Outcomes/Metrics	• Successful operational readiness for the facility. • Improved network reliability and continuity across agency locations.
FY26 Strategy 4	
Accomplishments	• Implemented AquaDesk and fully retired Track-It legacy platform, modernizing IT service management.
Outcomes/Metrics	• Improved ticket visibility, workflow automation, reporting, and asset tracking. • Increased service responsiveness and operational efficiency.

TABLE 1.3b: Priority 2

STRATEGIC PRIORITY 2 – Cybersecurity, Resilience, and Risk Management	
Strengthen OSE/ISC's cyber defenses through expansion of endpoint protection, modernized firewalls, enhanced web-application security, and deployment of resilient backup and disaster recovery systems.	
FY26 Strategy 1	
Accomplishments	• Expanded Microsoft Defender for Endpoint and Defender for Identity across the agency. • Improved threat detection, alerting, and response capabilities.

Outcomes/Metrics	• Increased endpoint visibility and reduced mean-time-to-detect (MTTD). • Improved compliance with statewide cybersecurity requirements.
FY26 Strategy 2	
Accomplishments	• Modernized firewall infrastructure across multiple agency locations. • Expanded FortiWeb protection for public-facing applications.
Outcomes/Metrics	• Increased resiliency against automated attacks and malicious web traffic. • Standardized network security controls across sites.
FY26 Strategy 3	
Accomplishments	• Upgraded Commvault backup systems with new storage hardware and cloud-based air-gapped capability.
Outcomes/Metrics	• Improved restoration speed and data recoverability. • Strengthened agency disaster recovery posture.
FY26 Strategy 4	
Accomplishments	• Expanded mobile device management with Apple Business Manager and Intune-based mobile enrollment.
Outcomes/Metrics	• Improved device standardization, enforcement of security baselines, and asset accountability. • Increased consistency of mobile fleet configuration and management.

B. Previous FY Other Key IT Accomplishments

The agency achieved several important application, data, workflow, and service-delivery improvements that strengthened OSE's operational efficiency, expanded public access to water-related information, and enhanced internal analytical capability. These accomplishments complement the broader infrastructure and cybersecurity gains achieved during the fiscal year and directly support improved decision-making, transparency, and mission-critical field work.

TABLE 1.4: Other FY26 Key IT Accomplishments

APPLICATION	
Accomplishment	Modernization of the New Mexico Water Reports Reporting System (NMWRRS).
Value or Impact	Provides online access to OSE well reports, well permits, driller license reports, point-of-diversion data, UTM conversion tools, and subdivision reports — significantly improving public transparency and staff access to authoritative water-rights information.
DATA	
Accomplishment	Deployment of the Waters2Wells Python automation program, generating a statewide MODFLOW input file from WATERS data.

Value or Impact	Automates creation of monthly statewide hydrologic modeling datasets, replacing the historical basin-by-basin manual process. Produces a statewide GIS dataset that enhances groundwater modeling, spatial analysis, and data exploration for the Hydrology Bureau.
PROCESS IMPROVEMENT	
Accomplishment	Increased automation and modernization of backend workflows related to water-rights data management and reporting (supported by NMWRRS and Waters2Wells improvements)
Value or Impact	Reduces manual processing time, improves data consistency, and enables staff to focus on higher-value analytical work.
WORKFORCE	
Accomplishments	Improved accessibility of hydrologic and adjudication datasets through automated updates and expanded GIS tools.
Value or Impact	Enhances staff capability to perform timely modeling, research, and regulatory analysis using current statewide datasets.
CUSTOMER SERVICE	
Accomplishments	Expansion of online access to water-rights information and modernized public-facing reporting tools.
Value or Impact	Improves service delivery to constituents, hydrologists, legislators, and water-rights professionals by providing clear, accessible, and accurate digital resources.
TELEWORK	
Accomplishments	Continued enhancements to cloud-based management, identity systems, and secure access tools.
Value or Impact	Supports a remote-capable workforce with better endpoint security, standardized device management, and improved access to online reporting systems.
SECURITY	
Accomplishments	Improved protection of public-facing applications through FortiWeb expansion and enhanced security controls across modernized application environments (supported by NMWRRS improvements and broader security upgrades).
Value or Impact	Strengthens security posture for systems delivering water-rights data, reduces vulnerability exposure, and ensures continuity of public digital services.

IV. FY28 IT STRATEGIC GOALS AND STRATEGIES

The FY28 IT Strategic Plan builds on prior-year modernization, cloud adoption, and cybersecurity advancements. This year’s strategies emphasize **modernization**, **resilience**, **transparency**, and **operational excellence**, aligning with statewide DoIT requirements and OSE/ISC’s long-term mission

TABLE 1.5a: Strategic Goals Priority 1

STRATEGIC PRIORITY 1 – Modernize and Migrate Core Systems	
Goal Statement Replace or refactor legacy systems, accelerate cloud migrations, deploy cloud-native architectures, and expand advanced analytics to improve performance, scalability, decision-support, and operational efficiency.	
FY28 Strategy 1	Assess Primary Workload Migrations to Cloud
Outcomes/Metrics	• Successful migration of core water administration systems to cloud hosting. • Increased uptime, scalability, and cross-site availability. • Reduced reliance on aging on-prem infrastructure.
FY28 Strategy 2	Advance Virtual Desktop Modernization
Outcomes/Metrics	• Expanded VDI capacity supporting hydrology, field inspections, and multi-site operations. • Faster remote access performance and improved telework support. • Reduction in legacy desktop management overhead.
FY28 Strategy 3	Modernize Mission-Critical Applications (e.g., WATERS 2.0)
Outcomes/Metrics	• Completion of WATERS 2.0 discovery and transition into modernization phase. • Improved permit processing workflows and expanded digital service capabilities. • Enhanced integration with GIS and analytics platforms.
FY28 Strategy 4	Expand GIS-Enabled Decision Support and Analytics
Outcomes/Metrics	• Deployment of GIS dashboards and shared data services. • Improved real-time access to hydrologic and water-rights datasets. • Increased usage of analytics tools across agency programs.

TABLE 1.5b: Strategic Goals Priority 2

STRATEGIC PRIORITY 2 – Strengthen Cybersecurity, Resilience, and Governance	
Goal Statement Bolster security maturity through expanded automation, enhanced monitoring, remediation of end-of-support systems, modernized firewalls and WAF protections, and improved backup/continuity capabilities.	
FY28 Strategy 1	Advance NIST CSF Moderate Maturity and Governance Integration
Outcomes/Metrics	• Completion of updated NIST maturity self-assessment. • Increased policy alignment with statewide cybersecurity mandates. • Implementation of improved identity governance controls.

FY28 Strategy 2	Modernize Firewall, Telemetry, and Web-Application Protections
Outcomes/Metrics	• Enhanced FortiWeb protections for all public-facing applications. • Centralized logging and improved threat telemetry visibility. • Reduction in automated attack traffic and web-application incidents.
FY28 Strategy 3	Complete Operating System Remediation and Platform Retirement
Outcomes/Metrics	• Retirement of all Windows 10, Server 2012/2012 R2, and 2008 R2 instances. • Full compliance with NIST lifecycle and DoIT statewide requirements. • Reduction of technical debt and vulnerability exposure.
FY28 Strategy 4	Expand Cloud-Native Backup, Disaster Recovery, and Continuity
Outcomes/Metrics	• Deployment of air-gapped cloud backups for agency systems. • Documented DR recovery-time improvements. • Improved overall resiliency and continuity readiness.

TABLE 1.5c: Strategic Goals Priority 3

STRATEGIC PRIORITY 3 – Enhance Transparency, Service Delivery, and Operational Excellence	
Goal Statement: Improve public-facing tools, expand intuitive digital permitting and data access, strengthen documentation and governance, and ensure technology investments support statewide and agency strategic priorities.	
FY28 Strategy 1	Perform web presence assessment with accessibility standard WCAG 2.1 AA
Outcomes/Metrics	Determine gap between current state against standard for accessibility standard.
FY28 Strategy 2	Expand Digital Permitting, Online Intake, and Public Data Portals
Outcomes/Metrics	• Increased online submission volume for applications and fees. • Improved usability of data portals and public datasets. • Reduced manual processing and improved customer satisfaction.
FY28 Strategy 3	Mature Project Governance, Documentation Standards, and Enterprise Architecture
Outcomes/Metrics	• Standardized project governance templates adopted agency-wide. • Improved documentation and architectural alignment with statewide DoIT frameworks. • Reduced project delays and improved cross-team coordination.
FY28 Strategy 4	Support Workforce Flexibility with Cloud-Managed Endpoints and Secure Telework

Outcomes/Metrics	• Increased telework readiness through Intune-managed devices. • Improved endpoint compliance and reduced configuration drift. • Enhanced productivity for remote hydrology and field operations.

V. IT FISCAL AND BUDGET MANAGEMENT

Information Technology (IT) Operating Budget (C1)

Agency Name					Agency Code
Office of the State Engineer					55000
Base Request Operational Support of IT. Check one of the options below:				**Flat Budget**	**Expansion from previous year**
Yes/No				No	Yes
Revenue IT Base Budget (dollars in thousands)					
Appropriation Funding Type	**FY25 Actual**	**FY26 Actual**	**FY27 OpBud**	**FY28 Request**	**FY29 Estimate**
General Fund	3,200.7	3,921.2	3,794.7	3,919.0	3,919.0
Other State Funds	0.0	0.9	0.3	0.8	0.8
Federal Funds	0.0	0.0	0.0	0.0	0.0
Internal Svc Funds/Interagency Transfer	253.0	283.1	115.1	283.0	283.0
Total	**3,453.7**	**4,205.2**	**3,910.1**	**4,202.8**	**4,202.8**

Expenditure Categories *(dollars in thousands)*					
Category or Account Description	**FY25 Actual**	**FY26 Actual**	**FY27 OpBud**	**FY28 Request**	**FY29 Estimate**
Personal Services & Employee Benefits	1,723.5	2,084.3	2,200.0	2,200.0	2,200.0
Contractual & Professional Services	161.4	78.4	0.0	116.2	116.2
IT Other Services	1,568.8	2,042.5	1,710.1	1,886.6	1,886.6
Other Financing Uses	0.0	0.0	0.0	0.0	0.0
Total	**3,453.7**	**4,205.2**	**3,910.1**	**4,202.8**	**4,202.8**

VI. C2 COMPUTER SYSTEM ENHANCEMENT FUNDING (CSEF) REAUTHORIZATION

C. Previously Issued Supplemental Funding

During the previous fiscal year, the agency did not receive or utilize any supplemental C2 Computer System Enhancement Funding requiring reauthorization. All prior C2 allocations are within their authorized periods, and no supplemental appropriations remain active or in need of extension. As a result, the agency is **not requesting reauthorization of any previously issued supplemental funding** for FY28. Please reference Appendix III.

D. List of C2 Funding Requests

Overview: OSE/ISC is submitting **two FY28 C2 funding requests**, each for **$2,000,000**, aligned to agency modernization priorities and statewide DoIT objectives.

C2 Request #1: WATERS Modernization (Phase Continuation)

Amount: $2,000,000
Purpose: Continue modernization of the **Water Administration Technical Engineering Resource System (WATERS)** — the core platform supporting adjudication case management, basin reports, and legal pleadings — to improve reliability, workflow automation, and integration with GIS and analytics for water-rights administration.

C2 Request #2: Intelligent Document Management (IDM) & Bulk Scanning

Amount: $2,000,000
Purpose: Implement an enterprise **intelligent document management** platform and conduct **bulk digitization** of historical/active water-rights records to improve retrieval, retention, and public access; reduce manual handling; and support analytics.

E. Requested Reauthorizations

No requested reauthorization of prior C2 appropriations for FY28. This mirrors the prior strategic plan's stance and current draft language indicating no legacy C2 balances or supplemental appropriations requiring extension.

TABLE 1.7: Request for Reauthorization of C2 Appropriations

Information Technology Request for Reauthorization of C2 Appropriations			
Agency Name		**Agency Code**	

<table>
<tr><td>Lead Agency Name Listed on Appropriation</td><td></td><td>Project Name</td><td colspan="2"></td></tr>
<tr><td colspan="3"># of Reauthorization Requests</td><td colspan="2"></td></tr>
<tr><td colspan="3">Source of Authorization
(e.g. Laws 2022, Chapter 54, Section 7 (12) or Grant/Federal Fund #)</td><td>Appropriation Amount
(in thousands)</td><td>Remaining Balance
(in thousands)</td></tr>
<tr><td colspan="3"></td><td>0.0</td><td>0.0</td></tr>
<tr><td colspan="3"></td><td>0.0</td><td>0.0</td></tr>
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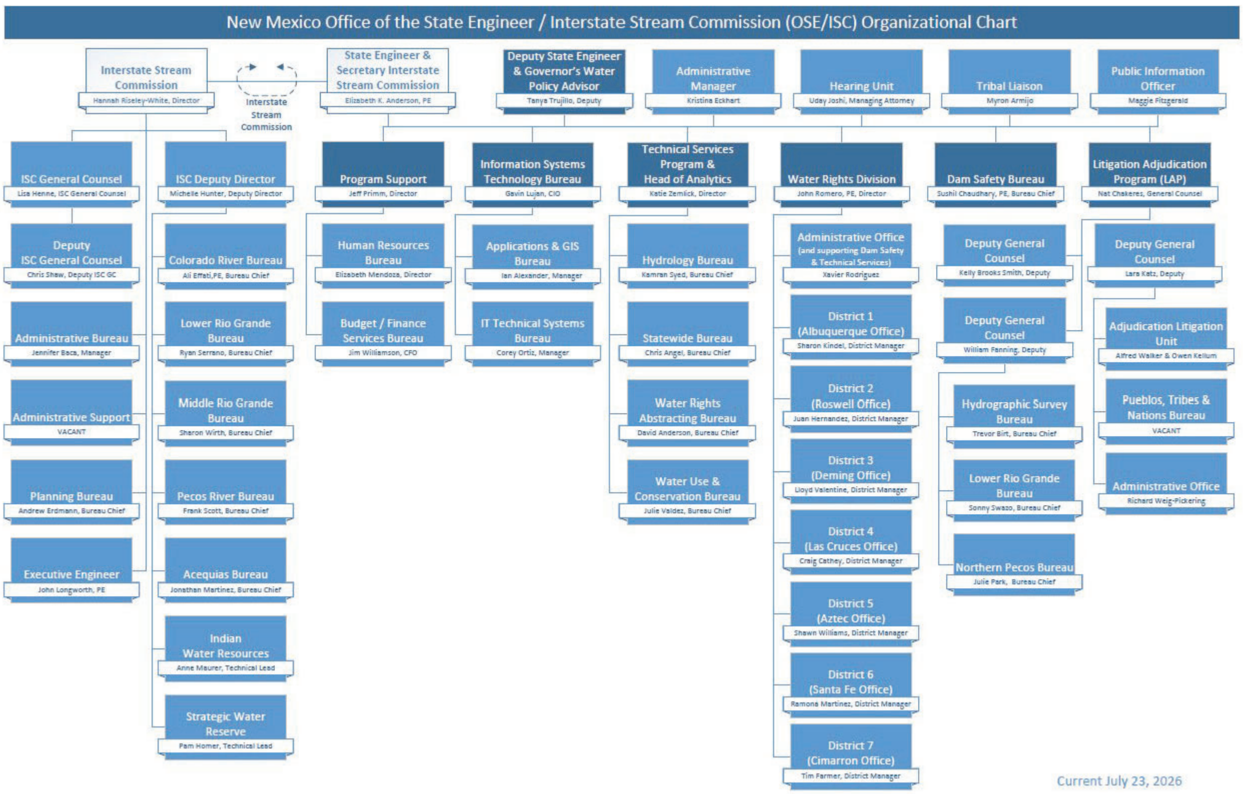
<tr><td colspan="3"></td><td>0.0</td><td>0.0</td></tr>
<tr><td>Total amount appropriated for project life
(in thousands)</td><td></td><td colspan="2">Will the project be completed within the next fiscal year?</td><td>☐ Yes
☐ No</td></tr>
<tr><td>Reason for Requesting Reauthorization</td><td colspan="4"></td></tr>
</table>

APPENDICES

APPENDIX I: AGENCY ORGANIZATION CHART



APPENDIX II: IT ORGANIZATION CHART

APPENDIX III: C2 IT DATA PROCESSING CSEF

C2: Information Technology
Data Processing - Computer Systems Enhancement Fund (CSEF)

Agency Name	Agency Code	Project Name			
If Multi-Agency Project, please list the Participating Agencies.			Priority	Projected Start Date	Projected End Date

Revenue Project Cost *(dollars in thousands)*				
Category or Account Description	FY26 & Prev Actual	FY27 Budget	FY28 Request	Total
General Fund (CSEF)	0.0	0.0	0.0	0.0
Other State Funds *(*specify funds below)*	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0
Internal Svc Funds/Interagency Transfer	0.0	0.0	0.0	0.0
Total	**0.0**	**0.0**	**0.0**	**0.0**
*If Other State Funds, Specify Funding Source/Fund Name				

Expenditure Categories *(dollars in thousands)*				
	FY26 & Prev Actual	FY27 Budget	FY28 Request	Total
Personal Services & Employee Benefits	0.0	0.0	0.0	0.0
Professional Services	0.0	0.0	0.0	0.0
Travel/Lodging	0.0	0.0	0.0	0.0
IT Hardware	0.0	0.0	0.0	0.0
IT Software	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
Total	**0.0**	**0.0**	**0.0**	**0.0**

Strategic Plan Approval

	Print Name	Date
Agency Cabinet Secretary/ Director		8/31/2026
Agency Chief Information Officer or IT Lead	Gavin Lujan Digitally signed by Gavin Lujan Date: 2026.08.28 15:13:37 -06'00'	
Agency Chief Finance Officer	Jim Williamson	08/31/2026