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FISCAL IMPACT REPORT

			ORIGINAL DATE	2/3/16		
SPONSOR	She	ndo	LAST UPDATED	2/5/16	HB	
SHORT TITLE Intersta		Interstate Compact	for Forest Fires		SB	128

ANALYST Armstrong

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY16	FY17	FY18	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$0	\$0	\$0	\$0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

<u>Responses Received From</u> Attorney General's Office (AGO) Energy, Minerals and Natural Resources Department (EMNRD) State Land Office (SLO) Department of Game and Fish (DGF)

SUMMARY

Synopsis of Bill

Senate Bill 128 establishes New Mexico as a member of the Interstate Compact for the Prevention and Control of Forest Fires. Member states join to fulfill Compact's purpose of controlling forest fires in the Great Plains region of the United States. The Compact does not limit the firefighting power of a member state nor does it place mandatory duties on a member state. The Compact provides that a member state rendering aid is eligible for reimbursement by the state that requests aid. The Compact becomes effective immediately on enactment of the bill, however, withdrawal from the Compact may only occur if the Legislature or governor takes action to do so and is not effective until six months after notice of withdrawal.

This bill has an emergency clause.

FISCAL IMPLICATIONS

Enacting this bill would not have any fiscal impact because expenses for resources mobilized to New Mexico for forest fire suppression activities would be paid out of the Emergency Fund via executive order, as would any other forest fire suppression efforts. Further, New Mexico's expenses for resources mobilized to other states would be reimbursed by the requesting state.

SIGNIFICANT ISSUES

The Compact provides for reciprocal aid in fighting forest fires among the compacting states and any adjoining state of a current member state. Current member states are South Dakota, North Dakota, Wyoming, and Colorado. Currently, a federal process exists for states to share resources to fight forest fires but EMNRD states this can "delay the mobilization of critically needed resources to suppress wildland fires and protect communities." According to EMNRD analysis, the Compact promotes effective prevention and control of forest fires by allowing New Mexico to interact directly with other states in sharing resources to fight forest fires which could significantly reduce the response time of such support and the spread of fires. This direct contact can also improve the reimbursement process among states.

During periods of high fire activity, local and state initial attack resources are scarce. Historically, New Mexico has mobilized numerous resources from neighboring states for fire suppression activities. Rapid mobilization can potentially limit the extent of wildfire damage to natural resources and communities and therefore decrease costs and other negative impacts associated with wildfires. Typically, mobilization of federal, state, and local forest firefighting resources are managed through the federal National Interagency Resource Ordering and Status System (ROSS), which occasionally delays state-to-state resource sharing in times of need.

The Compact also includes provisions for claims and reimbursement. Since the Compact is with a neighboring state, Colorado, and other nearby cooperating states, it would reduce the time and complication of billing for state to state resource costs. This is currently accomplished through the federal government, which oftentimes takes longer than dealing directly with a member state. According to EMNRD, the federal government often has different priorities than New Mexico and has, in the past, proposed to discontinue the current process of assigning state resources to other states.

JA/jo