

Land Conservation Incentives Act: Protecting New Mexico's natural heritage

Jonathan Hayden

Executive Director

**NEW MEXICO
LAND CONSERVANCY**

Conserving Land. Preserving Heritage.



Santuario Nuevo, Taos County

Land Conservation

Incentives Act:

Protecting New Mexico's
natural heritage

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SECURE NEW MEXICO'S LAND HERITAGE
Update the **Land Conservation Incentives Act**
For Our Land, Water, Economy, & Culture

RGALT's Socorro County conservation project protected 6,210 acres with LCIA and leveraged \$3M in USFWS NAWCA funding.

Photo by Vladimir Chaloupka

- What is it?
- How has it performed?
- What are the challenges?
- How can it be improved?



- Protecting against **land use conversion** from natural environments to subdivisions, extractive industry, etc.
- Ensuring that **ecological systems** can survive and thrive
- Preserving **New Mexico's 'Natural Heritage'** for future generations—living in harmony with the land

What is 'land conservation'?

“We abuse land because we see it as a commodity belonging to us. When we see land as a community to which we belong, we may begin to use it with love and respect.”

— Aldo Leopold



CONSERVATION EASEMENTS

- A legal commitment to protect land in perpetuity
- Landowner agrees to **not subdivide & develop** the land
- **Ties water to the land!**
- Essentially the purchase of development rights from conservation-minded landowners



LAND TRUSTS

- Non-profit (501c3) land conservation organizations that use conservation easements, fee acquisition, management agreements and restoration to conserve and restore land and water.
- Land Trusts hold development rights—conservation easements—‘in trust’ for the public good.
- Grassroots expression of people’s commitment to the protection of land and water for conservation purposes and public benefits.



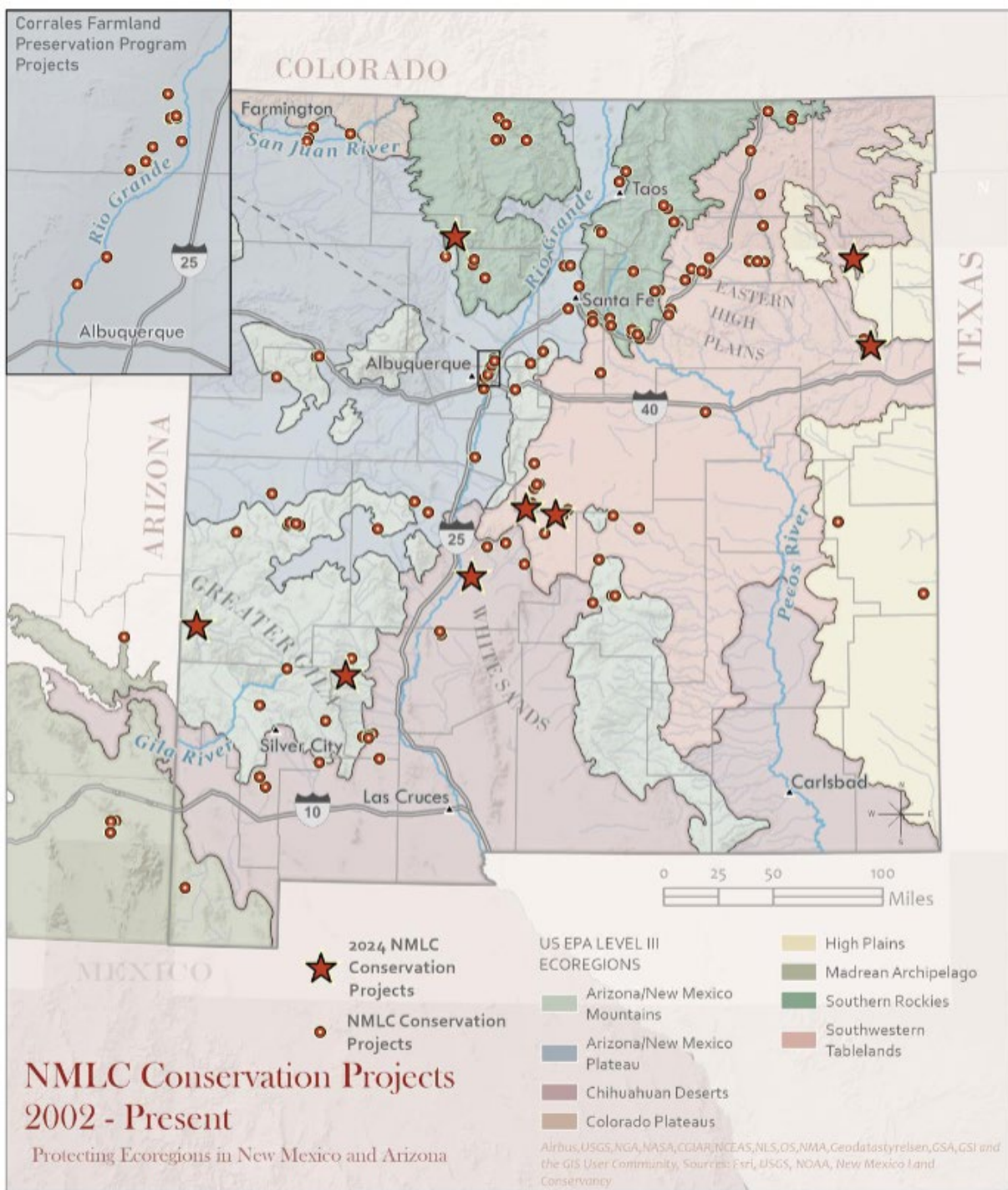
How is it funded?



New Mexico State Tax Credits

New Mexico taxpayers may be eligible for a transferable state income tax credit for the donation of a qualified conservation contribution. Unlike a deduction, a **tax credit** provides a dollar for dollar write-off on taxes owed. The tax credit is valued at 50% of conservation easement value up to \$250,000 and can be used over a 20-year period. The donor of the qualified conservation contribution can also transfer all or part of the tax credit to other taxpayers through a broker at approximately 80% of the value. NMLC can provide information on conservation easement tax credit brokers who assist with the sale of tax

...largely through the **Land Conservation Incentives Act**



How has it performed?

- Over 50 projects protecting 584,628 acres
- Just over \$39m worth of credits issued in twenty years of program
- Land conserved at only \$66/acre
- In many cases, has leveraged other state and Federal funding: NRCS, USFWS, USFS, NMDGF, ONRT, DoD, and Land of Enchantment Legacy

More than just tax breaks for rich landowners

- The Land Conservation Incentives Act sustains rural local economies by incentivizing conservation protections that **ensure land stays in agricultural production**. This **stability is vital** for the livelihoods of farmers and ranchers in **rural communities**.
- These protections **ensure land remains undeveloped** in areas that are critical for **watershed health** and other **ecosystem services** that **sustain New Mexican livelihoods**
- LCIA has been successful in New Mexico, funding over 50 conservation projects protecting 500k+ acres since 2005, but needs updates to remain effective
- Updating the LCIA will allow more **landowners in traditional communities** to access conservation incentives. Current caps mean **they're not receiving fair value** for these protections, and transaction/compliance costs have risen alongside land values



**...but caps on eligible project costs make conservation
infeasible for many smaller landowners**

What are the challenges?

SOUTHWEST
FarmPress.

Southwest land values up: COVID played a role

Economists point to COVID for playing a significant role in rising rural real estate prices. Learn more about land values in Texas, Oklahoma and New Mexico, and what's hot in the land market.



- The **Land Conservation Incentives Act (LCIA)** has not been **updated since 2007**
- In the intervening years, New Mexico's **land values have skyrocketed** and development has **transformed rural areas**
- The LCIA's tax credits are capped at **50% of conservation value**, and \$250k total, which **isn't enough to incentivize conservation** of our most threatened landscapes
- These caps are especially problematic for land rich/cash poor New Mexicans and those in high development areas
- Project cap makes larger land protection **wildly inefficient**—just leads to phasing

What are the challenges?

Worries over water as a giant data center moves into the New Mexico desert

JUNE 14, 2026 · 8:26 AM ET

HEARD ON [WEEKEND EDITION SUNDAY](#)

By [John Burnett](#)



7-Minute Listen

+ PLAYLIST

TRANSCRIPT



The building site for the Project Jupiter data center in Doña Ana County, New Mexico

STACK Infrastructure/Oracle

- It's simple: **update the caps**
- Increasing the amount of conservation value for which landowners can be compensated to **80%** will allow more small scale landowners and farmers to **keep New Mexico's land heritage alive**
- Boosting the cap on each transaction to **\$1.5M** will allow for more landscape-scale projects that **protect watersheds & wildlife**.
- Our bill also includes a **\$15m annual program cap** and a **ten-year sunset date**--both of which were suggested by legislators during committee hearings in this year's short session

What are the solutions?



What's the status of a legislative fix?

- **Draft bill language** in the works—waiting on LCS
- We **listened to legislators' input** last session: bill will now include sunset date and program cap
- **Bipartisan support**
- Agency staff has been briefed and is supportive; **EMNRD taking lead**
- Supported by advocates of **conservation AND agriculture**
- **Fiscal Impact Report likely to be <\$15m/year (program cap)**



Questions?

Jonathan Hayden

(505) 986-3801

jhayden@nmlandconservancy.org