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## FISCAL IMPACT REPORT

SPONSOR King DATE TYPED 2/5/04 HB 403

SHORT TITLE Galisteo Watershed Conservation Initiative SB \_\_\_\_\_

ANALYST Gilbert

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$170.0			Non-Rec	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Office of Cultural Affairs (OCA)

State Land Office (SLO)

Energy, Minerals & Natural Resources Department (EMNRD)

Game & Fish Department (GFD)

### SUMMARY

#### Synopsis of Bill

House Bill 403 appropriates \$170 thousand from the general fund to the Office of Cultural Affairs (OCA) for expenditure in fiscal year 2005, to perform archaeological, geological, botanical, and wildlife studies necessary to prioritize preservation in the Galisteo watershed.

#### Significant Issues

Land ownership in the Galisteo watershed is represented by numerous entities, public and private. Although composed predominately of private land, a few thousand acres of state trust land are also part of the Galisteo watershed.

According to the Energy, Minerals & Natural Resources Department (EMNRD), there are a number of archeological sites in this basin that afford opportunities for research and interpretation. Currently, the Galisteo River riparian ecosystem is comprised of an almost monotypic stand of non-native salt cedar. Although this bill refers to the preservation of the watershed, management intervention in controlling the stand of salt cedar and restoring native vegetation

would be ecologically beneficial.

### **FISCAL IMPLICATIONS**

The appropriation of \$170.0 contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2005 shall revert to the general fund.

### **ADMINISTRATIVE IMPLICATIONS**

The Department of Cultural Affairs (DCA) has staff expertise to perform archaeological, geological and botanical studies, but would have to contract for wildlife studies. Establishing preservation and watershed management priorities would have to be conducted in consultation with, or under contract with, other private and public organizations.

### **OTHER SUBSTANTIVE ISSUES**

According to the State Land Office (SLO), the purpose and resource attributes that are the target of the preservation initiative in this bill are not clear (cultural resources, soil, water, wildlife).

The OCA stated that Congress is considering a bill that would assist landowners in the Galisteo Basin who wish to preserve, protect, and interpret nationally significant archaeological resources on their lands. This initiative in Congress in no way overlaps with HB 403, but if landowners respond favorably to the federal act, it could provide complementary information for decisions on priorities.

According to EMNRD, this bill could indirectly benefit the Forestry Division's efforts to restore the health of riparian ecosystems. If plans to remove stands of salt cedar and replace them with native vegetation were implemented, this would result in reduced risk of wildfires and make suppression less costly.

According to the Game and Fish Department, There are numerous water and watershed related initiatives occurring throughout the state. It is unclear how this specific initiative fits into the "big picture" of statewide priorities and funding. If there are no similar or related initiatives, it is possible that the work conducted here could serve as a model for other parts of the state.

However, it is unclear if there has been any prioritization of watersheds throughout the state. In other words, are there other watersheds in the state that have been determined to be of a higher priority that may benefit from this same type of study and is there a similar funding mechanism in place?

**RLG/yr**