Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

# FISCAL IMPACT REPORT

SPONSOR	Herrera		ORIGINAL DATE LAST UPDATED		НВ	521/aHAFC
SHORT TITLE		Roadless Review T		SB		
				ANAI	YST	Woods

## **APPROPRIATION (dollars in thousands)**

Approp	oriation	Recurring or Non-Rec	Fund Affected
FY06	FY07		
NFI	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

#### SOURCES OF INFORMATION

LFC Files

Responses Received From

Energy, Minerals and Natural Resources Department (EMNRD)

#### **SUMMARY**

## Synopsis of HAFC Amendment

House Appropriations and Finance Committee amendment to HB521 amends the legislation as follows:

- 1. On page 1, line 12, strike "MAKING AN APPROPRIATION;".
- 2. On page 1, lines 17 and 18, strike "is created" and insert in lieu thereof "shall be created following the governor's decision to participate in the state petition process specified in the final federal rule governing the roadless area petition process".
- 3. On page 3, between lines 13 and 14, insert a new subsection to read:
  - "F. Nothing in this section shall be construed as an endorsement of the state petition process specified in the federal rules governing the roadless area petition process by the legislature or the state.".
- 4. On page 3, strike Section 2 in its entirety.

#### House Bill 521/aHAFC - Page 2

5. Renumber the succeeding section accordingly.

This amendment removes the appropriation from the legislation.

## Synopsis of Original Bill

House Bill 521, Relating to the Environment; Creating the Roadless Areas Review Task Force; Making an Appropriation; Declaring and Emergency, seeks the following:

Under Section 1. TEMPORARY PROVISION--ROADLESS AREAS REVIEW TASK FORCE CREATED--MEMBERSHIP--APPOINTMENT.--

- A. The "roadless areas review task force" is created. The task force shall function from the effective date of this act through November 15, 2006.
- B. The roadless areas review task force shall be convened and chaired by the secretary of energy, minerals and natural resources or the secretary's designee, who may contract with a mediator or other third party to facilitate the duties of the task force. The secretary shall provide staff for the task force.
- C. The other twelve members of the task force shall be appointed as follows:
  - (1) the governor shall appoint eight members from areas of the state adjacent to or containing designated roadless areas, including:
    - (a) one person with expertise in fish and wildlife biology; and
    - (b) one representative each from a tribal or pueblo government, a county government, an off-highway recreational vehicle organization, an agricultural organization, a community land grant, an outfitters or guides organization and an environmental organization;
  - (2) the speaker of the house of representatives shall appoint two members; and
  - (3) the president pro tempore of the senate shall appoint two members.
- D. The roadless areas review task force shall:
  - (1) by September 15, 2006, hold public meetings to review new federal forest service rules on designation of New Mexico roadless areas. The public meetings shall be held at the State Capitol and in Alamogordo, Carlsbad, Carrizozo, Espanola, Grants, Las Vegas, Lordsburg, Mountainair, Raton, Reserve, Silver City, Socorro, Springer and Taos;
  - (2) solicit and consider written and oral comments on federal rules regarding roadless area designation and conservation issued by the United States department of agriculture as a starting point for deliberations; and
  - (3) make formal recommendations by September 30, 2006, each of which shall re-

#### House Bill 521/aHAFC - Page 3

quire the affirmative consent of eight members of the task force, to the governor for the governor's petition to the United States secretary of agriculture regarding conservation of areas designated as roadless areas by the United States department of agriculture.

E. The roadless areas review task force may recommend to the governor for inclusion in his petition, based on approval of eight members, boundary adjustments to federal roadless area conservation rules and designations and improvements to federal management of roadless areas.

Additionally, this legislation seeks to appropriate \$500,000 from the general fund to the Energy, Minerals and Natural Resources Department for expenditure in fiscal years 2006 and 2007 to accomplish the purposes of this act. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

This legislation carries emergency language.

#### **SIGNIFICANT ISSUES**

The Energy, Minerals and Natural Resources Department (EMNRD) indicates that it has encouraged the US Forest Service to uphold the Roadless Area Conservation Rule adopted in January 2001 and emphasized that the US Forest Service should take care of the existing network of forest roads before entertaining new construction. Additional roads increase the backlog of forest road maintenance and poorly maintained roads increase erosion and degrade forest and watershed health. The 2001 Rule was enacted after years of study, 22 local hearings in New Mexico, and 1.6 million comments supporting the Rule.

EMNRD additionally notes that, currently, the USDA Forest Service policy states inventoried roadless areas contain important environmental values that warrant protection. Accordingly, until a forest-scale roads analysis is completed and incorporated into a forest plan, inventoried roadless areas shall, as a general rule, be managed to preserve their roadless characteristics. However, where a line officer determines that an exception may be warranted, the decision to approve a road management activity or timber harvest in these areas is reserved to the Chief of the US Forest Service or the Regional Forester. On a project-specific basis, the Chief, for good cause, may grant exceptions to the reservations of authority set out in this interim directive, upon the written request of a Regional Forester or Forest Supervisor.

#### PERFORMANCE IMPLICATIONS

EMNRD notes that performance and objectives relating to roadless area conservation would not benefit from this bill.

#### ADMINISTRATIVE IMPLICATIONS

EMNRD indicates that the department would be responsible for providing staff and developing facilitation contacts. Therefore, administrative implications include an increased workload for the EMNRD program managers, as well as legal, contract and fiscal staff to support fifteen public meetings and administer the funds. EMNRD adds that the governor, in his discretion, will decide to petition for a rulemaking or not.

## House Bill 521/aHAFC - Page 4

## **TECHNICAL ISSUES**

EMNRD suggests that the Office of the Governor has the prerogative and authority to make the decision to undertake the costly, burdensome and bureaucratic process to petition for federal rulemaking. Further, that the governor already has information from the millions of nationwide comments, as well as specific local input from 22 New Mexico public meetings held prior to the finalization of the 2001 Roadless Area Conservation Rule to determine the New Mexico's best course of action. Accordingly, EMNRD concludes that there is no need for this bill or for the final task force to make additional recommendations to the Governor.

BW/mt:yr