

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

ORIGINAL DATE 1-31-06

SPONSOR Hall LAST UPDATED _____ HB HJM29

SHORT TITLE Study Impact of Wildlife Areas on Land Grants SB _____

ANALYST Woods

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Department of Game and Fish (DGF)

SUMMARY

Synopsis of Bill

House Joint Memorial 29 requests the Department of Game and Fish to report on the economic impact attributable to wildlife areas and the impact on local economies and community lad grants adjacent to wildlife areas.

Specifically the memorial notes that:

- the Department of Game and Fish manages and controls several wildlife areas throughout the state; and
- these wildlife areas are often located in economically depressed rural areas of the state; and
- these rural areas may not always benefit from their proximity to wildlife areas; and
- the viability of these areas should be enhanced with proper management of these state resources; and

House Joint Memorial 29 – Page 2

- elk and other wildlife living in wildlife areas often migrate to adjacent lands, which may result in economic damage to adjacent landowners; and
- it is unknown what economic benefits individuals owning lands adjacent to wildlife areas gain from the sale of elk and other wildlife permits granted to them by the department of game and fish; and
- it is ambiguous as to what revenues and expenses are attributable to wildlife areas, or what the costs and benefits are to the areas and community land grants that are adjacent to wildlife areas.

The memorial resolves that the Department of Game and Fish be requested to report to the first session of the forty-eighth legislature on the income and expenses attributable to each wildlife area, the impact on local economies and community land grants in each area adjacent to a wildlife area and the number of elk permits distributed to individuals owning land adjacent to each wildlife area.

The memorial further resolves that a copy of this memorial be transmitted to the Department of Game and Fish.

There is no appropriation attached to this legislation.

FISCAL IMPLICATIONS:

The Department of Game and Fish (DGF) indicates that fiscal implications are somewhat difficult to quantify based on information in the memorial. To accomplish an economic impact analysis regarding the positive and or negative impact on local economies and community land grants in each area adjacent to the wildlife areas will require expertise not available within the Department of Game and Fish. Procuring this expertise will likely require significant contractual resources in order to accomplish such an analysis. The Department does not have the expertise to complete a rigorous economic analysis and would likely contract with a state university or some other similar resource to accomplish that type of study. The Department did not incorporate funding for this kind of a study in the fiscal year 2007 budget request.

DGF suggests that another option would be to complete a less rigorous evaluation based upon generally accepted methods of determining economic impacts of individual hunters and anglers based on the number of days of recreational use provided by Wildlife Management Areas and the lands surrounding them. Either evaluation method, DGF adds, will require the use of significant assumptions due to the fact that DGF does not have exact figures regarding use and the fact that many users of the Wildlife Areas also use general hunting and fishing licenses in other areas throughout the state. DGF indicates it will also have to make some assumptions regarding the value of these properties to many other species of wildlife that DGF does not issues licenses for and are not hunted or fished. DGF suggests that it could also take advantage of other economic studies such as those completed in recent years by the New Mexico Council of Outfitters and Guides, provided that these entities allow DGF to harvest these data for statistical purposes.

DGF notes that the State Game Commission owns approximately 166,000 acres scattered in 66 locations around the state. Twelve of these properties are officially designated as “Wildlife Management Areas” in the Boundary rule [19 NMAC 30.4]. These are areas where the depart-

ment primarily issues licenses for some type of big game and migratory bird hunting opportunity. Accordingly, DGF believes that to complete either of these types of evaluations will require a commitment of staff time and operational or contractual dollars that are currently budgeted and appropriated for other activities; however, the additional information requested regarding expenses of maintaining each area and direct income attributable to a specific area can be estimated by using some assumptions, and the number of elk permits distributed to individuals adjacent to each wildlife area is also fairly straight forward and measurable with some staff time and effort.

SIGNIFICANT ISSUES

Either through clarification provided within this memorial or through communications with the sponsor or the interim land grant committee, the Department will need to clarify the expectations of this memorial and obtain concurrence regarding the exact location(s) of concern. For example, the agency will need to determine if a report restricted to the impacts associated with the 12 properties formally designated as Wildlife Management Areas is an appropriate interpretation of the expectation of this memorial.

PERFORMANCE IMPLICATIONS

Significant time, effort and resources dedicated to this task will diminish the agency's ability to accomplish other wildlife and fisheries management tasks.

OTHER SUBSTANTIVE ISSUES

DGF indicates that hunting, fishing and other wildlife-associated recreation have an economic impact of over \$1 billion annually. Much of this economic impact occurs in the economically depressed areas of the state mentioned in the memorial. While conflicts occur it is important to note that the state's wildlife resources represent an economic engine that brings jobs, tourism and money to the state.

ALTERNATIVES

DGF suggests that a viable alternative could be that the memorial establishes concerns that are currently identified and directs the Department of Game and Fish to meet with the Interim Land Grand Committee to identify areas of concern or interest and agree upon the information that should be reported. Another alternative would be to provide more specificity within the memorial itself.

BW/nt