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FISCAL IMPACT REPORT

ORIGINAL DATE 03/11/13

SPONSOR Sharer LAST UPDATED _____ HB _____

SHORT TITLE Study Transfer of Federal Lands SJM 56

ANALYST Chavez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Unknown				

(Parenthesis () Indicate Expenditure Decreases)

Duplicates, Relates to, Conflicts with, Companion to SM 93, SB 404, HB 292, SJM 53

SOURCES OF INFORMATION

LFC Files

Responses Received From

State Land Office (SLO)

Energy, Minerals, and Natural Resources Department (EMNRD)

Economic Development Department (EDD)

Indian Affairs Department (IAD)

SUMMARY

Synopsis of Bill

Senate Joint Memorial 56 (SJM 56) requests that the Legislative Finance Committee (LFC) and any interim committees consider economic and rural development, Native American affairs or land grant issues examine the idea of transferring federal lands to the state. SJM 56 also requests that the Commissioner of Public Lands pursue transfer to New Mexico of federal disposal lands, specifically for the purposes of providing financial support for early childhood education.

FISCAL IMPLICATIONS

The fiscal implications are unknown at this time. According to the memorial, if the federal government were to transfer public lands to the New Mexico state land trust, the state would be able to raise revenue in order to specifically support early childhood education and other educational purposes.

SIGNIFICANT ISSUES

SJM 56 notes that, as New Mexico faces financial crises and struggles to fund necessary public services, early childhood programs have been drastically reduced and, in some cases, eliminated, even though research and data show the cost-effectiveness of such programs. In New Mexico, all of the early childhood education programs combined receive less than one percent from the general fund budget.

The State Land Office (SLO) adds that considering the importance of early childhood education and existing funding limitations at the state level, working cooperatively with the federal government, the Congressional delegation, and other interested stakeholders to identify suitable federal disposal lands that could be used to grow the state's land trust may provide a pathway to increase resources dedicated to education.

According to the Energy, Minerals and Natural Resources Department (EMNRD), the lands suitable for disposal that are referred to in SJM 56 were likely identified during federal land management planning reviews conducted by the U.S. Bureau of Land Management (BLM) and the U.S. Forest Service. The SLO has in the past negotiated land exchanges with the BLM and other agencies to obtain some of these lands.

The SLO also emphasizes the importance of maintaining a positive relationship with the federal government. It states that New Mexico and the federal government regularly work cooperatively together regarding many public land management issues, including exchanges of land that allow better management because of the different policy goals and capabilities of the respective agencies. As one example, the Commissioner of Public Lands and the BLM are pursuing a land exchange in which BLM would acquire state trust land for purposes of habitat preservation and New Mexico will acquire land that can be used for oil and gas exploration and production. In considering the adoption of the proposed memorial and directing the work of interim committees and requesting action by the Commissioner of Public Lands, due consideration should be given to preserving the cooperative relationship that exists.

The Indian Affairs Department (IAD) points out that Tribes, Nations, and Pueblos have sacred sites that may be located on the public lands that the state is requesting to transfer from the federal government. Tribes, Nations, and Pueblos need to be consulted before this land is sold by the state or any other entity.

ADMINISTRATIVE IMPLICATIONS

The SLO states that, should the federal government transfer disposal lands to state management, it would require additional resources in order to manage the additional acreage, and may require additional resources in order to actively pursue the transfer of this land to state management.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB 292 and SB 404 both attempt to mandate that the United States transfer title to federal public lands in New Mexico (with certain exceptions for wilderness areas, national monuments, etc.) to the State of New Mexico by no later than December 31, 2015.

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SJM 53 makes the same request that (1) the LFC and any interim committees formed to consider economic and rural development, Native American affairs or land grant issues examine the idea of transferring federal lands to New Mexico, and (2) the Commissioner of Public Lands pursue transfer to New Mexico of federal disposal lands. The findings that provide the basis for the request differ.

SJM 56 duplicates SM 93.

KC/svb