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FISCAL IMPACT REPORT

SPONSOR <u>Diamond Brantley</u>	LAST UPDATED _____ ORIGINAL DATE <u>1/31/24</u>
SHORT TITLE <u>Black Fire Recovery Reporting</u>	BILL NUMBER <u>Senate Bill 213</u>
	ANALYST <u>Hilla</u>

APPROPRIATION* (dollars in thousands)

FY24	FY25	Recurring or Nonrecurring	Fund Affected
	\$1,000.0	Nonrecurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Relates to Senate Bill 49

Sources of Information

LFC Files

Agency Analysis Received From
State Land Office (SLO)

Agency Analysis was Solicited but Not Received From
Department of Finance and Administration (DFA)
Department of Homeland Security Emergency Management (DHSEM)

SUMMARY

Synopsis of Senate Bill 213

Senate Bill 213 appropriates \$1 million from the general fund to the Local Government Division at the Department of Finance and Administration for expenditure in Fiscal Years 2025 through Fiscal Year 2027 for Black Fire recovery efforts. Further, \$50 thousand of the appropriated funds may be used for staff and related administration costs.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, or May 15, 2024, if enacted.

FISCAL IMPLICATIONS

The appropriation of \$1 million contained in this bill is a nonrecurring expense to the general

fund. Any unexpended or unencumbered balance remaining at the end of FY27 shall revert to the general fund.

SIGNIFICANT ISSUES

The bill lacks specificity as to what “recovery” entails. It does not specify if the funds are to be used for replacements or repair of public infrastructure damaged by fire, flooding, or debris flows caused by or stemming from the Black Fire. The bill should define what efforts should be prioritized for support of recovery efforts.

The State Land Office (SLO) says that the effects of the Black Fire were overshadowed by the Hermit’s Peak/Calf Canyon fire in the same year (2022). Over 325 thousand acres were burned in Sierra County, Catron County, and Grant County, northeast of Silver City. The agency estimates that approximately 400 of the burned acres were state trust lands and were either “low” or “unburned” in terms of severity. SLO states that the ranching community suffered detrimental impacts resulting from high severity fire and subsequent flooding, some of which occurred on state trust land. SLO says that funding could help accelerate recovery for these affected rural populations.

ADMINISTRATIVE IMPLICATIONS

It is assumed that the Department of Finance and Administration would enter a Memorandum of Understanding (MOU) with each county to disperse the funds.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to Senate Bill 49 for the Rural Infrastructure Crisis Response Act.

EH/al/ne