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## FISCAL IMPACT REPORT

<b>SPONSOR</b>	Reps. Dow, Martinez, A., Lujan and Sariñana /Sen. Block	<b>LAST UPDATED</b>	
		<b>ORIGINAL DATE</b>	1/29/25
<b>SHORT TITLE</b>	State Park Day Passes for Veterans	<b>BILL NUMBER</b>	House Bill 161
		<b>ANALYST</b>	Davidson

### REVENUE\* (dollars in thousands)

Type	FY25	FY26	FY27	FY28	FY29	Recurring or Nonrecurring	Fund Affected
Park Fee Revenue		\$361.8	\$361.8	\$361.8	\$361.8	Recurring	State Park's Operating Budget

Parentheses ( ) indicate revenue decreases.  
\*Amounts reflect most recent analysis of this legislation.

### Sources of Information

LFC Files

#### Agency Analysis Received From

Energy, Minerals, and Natural Resources Department (EMNRD)

Because of the short timeframe between the introduction of this bill and its first hearing, LFC has yet to receive analysis from the Department of Veteran Services. This analysis could be updated if that analysis is received.

## SUMMARY

### Synopsis of House Bill 161

House Bill 161 (HB161) would require the State Parks Division of the Energy, Minerals and Natural Resources Department (EMNRD) to provide a one-day use state park pass and one camping state park pass, each for unlimited use, for New Mexico veterans.

The bill also adds new language defining a New Mexican veteran as a New Mexico resident who was regularly enlisted, drafted, inducted or commissioned in the armed forces, reserves, National Guard, U.S. Public Health Service commissioned corps, or National Oceanic and Atmospheric Administration commissioned officer corps and was honorably discharged.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

## FISCAL IMPLICATIONS

Agency analysis from EMNRD noted the State Parks generate approximately 75 percent of their operating budget through revenue from state park fees, recently increased after 25 years of remaining flat. Part of the new park fee update was developing a new annual camping pass for New Mexico veterans and active-duty military. This new pass price of \$150 a year is the same as for senior and disabled annual camping passes costs at \$150 per year.

The amount of revenue loss to the State Parks Division that would result from HB161 is impossible to calculate because it would require knowing how much visitation revenue is currently attributable to veterans and members of gold star families. EMNRD does not collect demographic data to show the proportion of state park visitors who fall into either category.

According to the Department of Veterans' Services (DVS), roughly 142 thousand veterans live in New Mexico, with veterans making up around 6.7 percent of the state's population. If veterans also account for the same percentage of state park visitors, providing free park passes to veterans could result in a revenue loss of \$361.8 thousand, using State Park's total generated revenue from park visitation of \$5.4 million in FY24.

EMNRD basis its estimate of fiscal impact, which is not reflected in the impact table, not on how much revenue would be lost if it could not charge for a share of its existing day-use and camping passes, but on the revenue it would forgo by not being able to charge new veteran customers, or what it calls the "negative financial impact on the [state park'] ability to generate new revenue." Using a range of 5 to 20 percent of the state's veteran population multiplied by the \$75 cost of a day pass and \$150 value of an annual camping pass, the department estimates forgone revenue of \$531.5 thousand to \$2.1 million from day passes and \$1 million to \$4.2 million unrealized income from camping passes.

## SIGNIFICANT ISSUES

Analysis from EMNRD notes it currently provides free annual day-use passes and three free nights of camping to all New Mexican resident veterans, providing an average of 7,800 passes of this nature annually. Analysis from EMNRD further noted the State Parks process it currently uses of provided the free passes already available requires DVS to certify the veterans who qualify for benefits. Due to the DVS not providing an option for veterans to update their personal status, such as change of mailing address or when a veteran is deceased, State Park's receives on average 10 percent of its annual free passes back.

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