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## FISCAL IMPACT REPORT

SPONSOR: SFC DATE TYPED: 3/7/03 HB \_\_\_\_\_

SHORT TITLE: Attorney General Litigation Costs SB 815/SFCS

ANALYST: Wilson

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			Significant See Narrative		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC files

### SUMMARY

#### Synopsis of Bill

The Senate Finance Committee Substitute for Senate Bill 815 directs the Attorney General's Office (AGO) to sue the state of Texas for the return of 603,485 acres of land taken from New Mexico due to an error in drawing the north-south boundary between New Mexico and Texas.

The bill also directs the AGO to seek compensation for subsurface mineral rights, oil and gas royalties and income, property taxes and grazing privileges that New Mexico has not realized due to the boundary error.

SB 815/SFCS declares an emergency.

#### Significant Issues

The AGO believes the litigation is not likely to be successful. This matter was studied extensively during Attorney General Udall's administration. Reportedly, Congress made New Mexico accept the surveying errors complained of as a condition of being granted statehood. The Congressional joint resolution of August 21, 1911, No. 8, 37 Stat. At Large 39, to admit New Mexico into the Union contains a clause that subjects New Mexico's admission to the terms and conditions of the February 16, 1911 joint resolution that reaffirmed the existing north-south boundary line between Texas and New Mexico.

**FISCAL IMPLICATION**

SB 815/SFCS appropriates no funding and the litigation required by this bill will be extremely costly.

**ADMINISTRATIVE IMPLICATIONS**

Such litigation would constitute a major undertaking for the Attorney General's Office, absorbing a great deal of FTE and fiscal resources.

**DW/yr**