

**LFC Requester:****Connor Jorgensen****AGENCY BILL ANALYSIS  
2024 REGULAR SESSION****WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:****Analysis.nmlegis.gov***{Analysis must be uploaded as a PDF}***SECTION I: GENERAL INFORMATION***{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

Check all that apply:

Original  Amendment   
Correction  Substitute Date 1/26/2024Bill No: HB 164Sponsor: Gail Armstrong  
Luis M. Terrazas  
Jenifer Jones  
Tara Jaramillo  
Short Title: Livestock Wolf Compensation  
ProgramAgency Name  
and CodeNumber: NMDA – 199Person Writing Jeff WittePhone: 575-646-5063 Email Hrickner@nmda.nmsu.edu**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
NFI	\$9,000.00	Nonrecurring	General Fund
NFI	NFI	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
\$0.0	\$0.0	\$0.0	N/A	N/A
\$0.0	\$0.0	\$0.0	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	NFI	NFI	NFI	NFI	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: Duplicates SB 26  
 Duplicates/Relates to Appropriation in the General Appropriation Act

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Synopsis:

House Bill 164 appropriates nine million dollars (\$9,000.0) to the New Mexico department of agriculture (NMDA) to implement its existing livestock Mexican wolf compensation program contract with the county livestock loss authority (CLLA) for fiscal years 2025 through 2027 (FY25-27). In spending the state appropriation, NMDA must first expend any available federal funds, base compensation payments on the determination of a confirmed or probable livestock loss by a qualified investigator, and set compensation rates at fair market values, as determined quarterly by New Mexico state university. NMDA is required to publish the quarterly-determined fair market values on its website and make information related to compensation payments publicly available.

**FISCAL IMPLICATIONS**

There would be no new fiscal implications for NMDA. NMDA would continue to utilize its existing staff commitment to administer its agreements with the CLLA.

**SIGNIFICANT ISSUES**

Between 2017 and 2022, the United States fish and wildlife service determined that the minimum population of Mexican wolves in New Mexico and Arizona grew from 114 to 241, an increase of over 100% during the five-year period. This population growth has increased the economic impacts to livestock producers in southwestern New Mexico. In 2023, there were 103 confirmed and probable livestock depredations by Mexican wolves within the state. Aside from confirmed or probable depredations, local livestock producers also have experienced economic losses from undetected or unconfirmed depredations, reduction of livestock weights/reproductive rates, increased management costs, and other indirect damages.

Socorro, Sierra, and Catron counties formed the CLLA in 2022 to provide effective delivery of compensation for direct and indirect livestock losses due to Mexican wolves in New Mexico. The board of directors of the CLLA is comprised of one commissioner from each county, one local livestock producer, and one representative from a non-governmental organization. The CLLA receives, reviews, and administers compensation claims from individual livestock producers.

Through an existing agreement, NMDA will subaward state funds annually to the CLLA, to compensate livestock producers for direct damages caused by confirmed and probable wolf

depredations, and for indirect damages, including but not limited to, implementation of conflict avoidance measures.

NMDA competes for US fish and wildlife service federal grants that can only be used to compensate livestock producers for confirmed wolf depredations and for implementing conflict avoidance measures. These federal grant funds, if awarded to NMDA by the US fish and wildlife service will be subawarded to the CLLA in a memorandum of agreement (MOA) and will be expended first for confirmed kills and conflict avoidance measures.

#### **PERFORMANCE IMPLICATIONS**

N/A

#### **ADMINISTRATIVE IMPLICATIONS**

There would be no new administrative implications for NMDA. NMDA would continue to utilize its existing staff commitment to administer its agreements with the CLLA.

#### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Duplicates SB 26.

#### **TECHNICAL ISSUES**

N/A

#### **OTHER SUBSTANTIVE ISSUES**

N/A

#### **ALTERNATIVES**

N/A

#### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

If HB 164 is not enacted, NMDA will continue to implement its existing livestock Mexican wolf compensation program agreement with the CLLA.

#### **AMENDMENTS**

N/A