

LFC Requester:**Helen Gaussoin**

**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

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{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 1-25-24

Bill No: SB 173

Sponsor: Senators Steven McCutcheon and Pat Woods
Short Title: Natural Heritage Conservation Act Changes

Agency Name and Code 521
Number: _____

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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

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

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: N/A

Duplicates/Relates to Appropriation in the General Appropriation Act – N/A

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: Senate Bill 173 (SB 173) amends the Natural Heritage Conservation Act by striking the authority of the Energy, Minerals and Natural Resources Department (EMNRD) to acquire conservation and agricultural easements by itself or with a qualified conservation entity, and prohibiting EMNRD from accepting a gift or bequest of a conservation or agricultural easement. SB 173 removes the definition of “conservation entity” and narrows the definition of “conservation project” to exclude acquisition of conservation or agricultural easements. The bill repeals section 75-10-7 NMSA 1978 (being Laws 2010, Chapter 83, Section 7).

FISCAL IMPLICATIONS

None directly for EMNRD.

SIGNIFICANT ISSUES

SB 173 will repeal a conservation tool that has multiple benefits to New Mexico. Landowners who wish to keep their land in agricultural production or to protect conservation values of their land into perpetuity will not be able to sell or donate their land or interest in land to EMNRD. Landowners will lose the ability to be financially compensated for conserving their land. Rural farmers and ranchers will lose access to a tool meant to help prevent the conversion of agricultural lands to housing lots. For example, traditional villages with acequias are often targeted for development, and conservation easements are an important tool to preserve their agricultural land uses and ownership. This bill will prohibit EMNRD from acquiring easement interest in land on properties that provide significant habitat diversity, support abundant wildlife and woodland and grassland health, and that generate income to ranch and property owners.

PERFORMANCE IMPLICATIONS

NHCA created a Natural Heritage Conservation Fund that never received a direct appropriation, but a one-time special appropriation to EMNRD in FY2008 did allow EMNRD to acquire conservation easements using the new authority. The properties acquired through NHCA were acquired in 2008 and 2009. Both were acquired for the purpose of protecting diverse habitat areas from subdivision and development. The first, the Ancho Ranch easement (2008) in Lincoln County, is a 9,900-acre easement that traverses diverse natural habitats from rolling juniper-savannah to intermittent pinion-juniper woodlands. The conservation easement supports wildlife that includes black bear, pronghorn antelope, ringtail, southwestern willow-flycatcher, broad-billed hummingbird and Penasco least chipmunk. The Ancho Ranch easement fosters grassland and woodland health and allows the ranch to generate income from agricultural practices. The second easement, Bioresearch Ranch (2009), covers 1,710 acres in Southwestern New Mexico and

has operated since 1973 as an ecological research and monitoring site and facility. This ranch is among the most biodiverse of all lands within the Apache Highlands and contains important habitat types such as the Madreaan Oak Canyon Woodland and Piedmont.

Conservation of private lands that would otherwise be developed prevents expansion of the wildland urban interface, specifically the proliferation of homes in forests and grasslands that are vulnerable to wildfire. Expansion of the wildland urban interface in turn increases the need for fire suppression. The vast majority of wildfires are human caused, and development adjacent to natural areas creates an unfounded burden on state and local firefighters who respond to wildfires. Conservation easements are an important tool to control this sort of development.

ADMINISTRATIVE IMPLICATIONS

Expansion of the wildland urban interface creates a further need for hazardous fuel mitigation to cut and remove overgrown brush and trees that act as fuel for wildfires. The number of communities at risk (which the Forestry Division provides to the Legislature annually) will increase, and the agency may need to divert funding appropriated for other projects to wildland urban interface protection, leaving high priority watersheds that contribute to New Mexico's long-term water security vulnerable to wildland fire.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If SB 173 were not enacted EMNRD would retain the authority to acquire agricultural and conservation easement interests in real property to advance the purposes of the NHCA.

AMENDMENTS

None.