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FISCAL IMPACT REPORT

SPONSOR: Nunez DATE TYPED: 03/12/01 HB 454/aHF1 #1
 SHORT TITLE: State Trust Lands Improvements SB _____
 ANALYST: Belmares

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	\$ 1,220.0			Recurring	Land Office Maintenance Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY01	FY02			
	\$ (1,220.0)	\$ (1,220.0) See Narrative	Recurring	General Fund

(Parenthesis () Indicate Revenue Decreases)

Duplicates Senate Bill 326

SOURCES OF INFORMATION

LFC Files
 Department of Environment (DOE)
 State Land Office

SUMMARY

Synopsis of House Floor Amendment to Bill

House Floor Amendment #1 to House Bill 454 makes minor modifications to the original bill. The amendment adds the adjective “invasive” before the phrase “noxious weeds.” The State Land Office has indicated the addition of the adjective “invasive” refers to other than native species. The amendment replaces the phrase “makes improvements” with “restoration of and remediation” (of State Trust Land). The amendment tracks the text of the bill to the Senate version of the bill.

Synopsis of Original Bill

House Bill 454 appropriates \$1.22 million to the State Land Office from the Land Maintenance Fund to support watershed restoration, remediate contaminated sites, clean-up unauthorized landfills, stabilize archeological sites, survey cultural resources and manage noxious weeds on state trust land.

Significant Issues

The State Land Office has identified several projects the following projects that would be completed utilizing the \$1.22 million appropriation:

- Restoration of proper functioning watershed conditions, reduction of fire danger, and enhancement of ecological conditions, especially near the communities of Angel Fire, Ruidoso, East Sandia, and Manzano Mountains.
- Stabilization of 300-year-old pueblito sites in northwestern New Mexico that are on the Most Endangered Places in New Mexico List, as well as the Folsom site near Clayton.
- Remediation of contaminated sites and unauthorized trash dumps where the offending party can not be found.
- Management and control of noxious weeds on state trust land.

FISCAL IMPLICATIONS

House Bill 454 appropriates \$1,220.0 to the State Land Office from the Land Office Maintenance Fund which receives revenues from oil and gas rental and bonuses, grazing rentals, miscellaneous rentals, interest on cash deposits and other income (from renewable resources).

Funds from the Land Office Maintenance Fund are used to support the administrative costs of the State Land Office with the balance being distributed to beneficiaries. Although the State Land Office receives its revenue from the Land Office Maintenance Fund and not general fund, the Legislative Finance Committee considers the State Land Office a general fund agency because changes in agency expenditures directly affect general fund revenue. The \$1.22 million appropriation contained within House Bill 454 would have a direct impact on the general fund and would decrease distributions to beneficiaries.

ADMINISTRATIVE IMPLICATIONS

The State Land Office has indicated it has the capacity to implement the project utilizing existing personnel and operational resources. The State Land Office has experience managing similar projects and should be able to implement the project with minimal administrative impacts.

The Department of Environment has indicated the State Land Office would possibly rely on several bureaus within the Department of Environment to assist the State Land Office in implementing the project. The Department of Environment has indicated the administrative impact would be minimal.

POSSIBLE QUESTIONS

How would the appropriation be distributed? Since each tract of land generates its own revenue, would the appropriation be applied to state trust lands in a corresponding fashion?