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# FISCAL IMPACT REPORT

SPONSOR	Martinez	DATE TYPED	1/30/04	HB	
SHORT TITL	E State Ownership	of Former Land Grant I	Lands	SB _	SJM10\aSRC

ANALYST Johnson

#### **APPROPRIATION**

Appropriation Contained		<b>Estimated Additional Impact</b>		Recurring	Fund
FY04	FY05	FY04	FY05	or Non-Rec	Affected
		See Narrative			

(Parenthesis () Indicate Expenditure Decreases)

**Duplicates HJM 15** 

#### SOURCES OF INFORMATION LFC Files

**Responses Received From** Energy, Minerals, and Natural Resources Department (EMRND) State Land Office (SLO)

#### **SUMMARY**

#### Synopsis of SRC Amendment

The Senate Rules Committee amendment adds ", records and archives" after each reference to the office of cultural affairs. Presumably, the purpose of the amendment is to involve the State Commission on Public Records. However, the state library, a division in the office of cultural affairs, contains several records and archives functions. The purpose of the amendment is to engage additional expertise, yet it is unclear which agency will provide the expertise.

#### Synopsis of Original Bill

Senate Joint Memorial 10 directs the office of cultural affairs and the office of the attorney general to work with other federal and state agencies to conduct a study to determine the extent to which lands that were formally part of the common lands of a land grant-merced now belong to the state and how the land was obtained or acquired by the state. The results of the study are to be reported to the legislature not later than November 1, 2004. Further, if the facts show the land

### Senate Joint Memorial 10\aSRC -- Page 2

that was once part of the common lands of a land grant-merced was obtained through dishonest, unjust, or illegal means and is now owned by the state, the office of cultural affairs and the office of the attorney general should determine what actions are required for the land to be returned to the heirs of the land grant.

## Significant Issues

The Energy, Minerals, and Natural Resources Department reports that there could be a significant impact to public lands in the state depending on the findings. Agencies, including state parks, whose land holdings might be impacted may lose capital investment, revenue sources, and other resources.

The State Land Office reports that as far the SLO is aware, no state trust lands granted to New Mexico by the United States government as part of the creation of New Mexico as a state were formerly part of a Spanish or Mexican land grant.

According to the New Mexico Department of Transportation, the terms "dishonestly, unjustly, or illegally" are too general and could cause the possible return of much state-owned land, including highway right-of-way. If the right-of-way acquisitions are determined to be 'unjust', even if legal, the State might be required to pay twice for the property.

# FISCAL IMPLICATIONS

EMNRD reports the fiscal implications could be significant if any state owned lands are identified as meeting the criteria for return to the land grant heirs. If the lands were transferred from the state parks division, revenues from the park would be lost. Additionally, state park lands include improvements funded by the taxpayers and, presumably, those would be transferred with the land.

# **ADMINISTRATIVE IMPLICATIONS**

NMDOT reports the lack of definitions or standards for "unjust or dishonest" property acquisitions would cause implementation problems.

The joint memorial does not contain an appropriation. However, staff time and agency resources, which are not currently in the budget, would be necessary to complete this study.

# AMENDMENTS

State parks division requested exemption of state parks from this bill.

CJJ/yr