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FISCAL IMPACT REPORT

ORIGINAL DATE 3/13/17
SPONSOR Townsend **LAST UPDATED** _____ **HM** 113

SHORT TITLE Study Creating Early Childhood Fund **SB** _____

ANALYST Armstrong

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$0		\$0	Nonrecurring	SLO Operating Budget

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB182

SOURCES OF INFORMATION

LFC Files

Response Not Received From

State Land Office (SLO)

Children, Youth and Families Department (CYFD)

SUMMARY

Synopsis of Memorial

House Memorial 113 (HM113) requests that SLO study the feasibility of creating an early childhood fund and report findings and recommendations to the Legislative Finance Committee and other appropriate interim committees by October 1, 2017.

FISCAL IMPLICATIONS

The costs of the requested study would be absorbed by the agency's operating budget.

SIGNIFICANT ISSUES

According to the U.S. Bureau of Land Management (BLM), the agency has 9.5 million acres of split estate mineral rights in New Mexico, meaning the federal government owns the subsurface rights while the surface is privately owned. These subsurface acres are currently unleased by BLM, and SLO analysis of Senate Bill 182 (SB182), which creates early childhood land grant funds, notes federal processes are hindering the efficient lease and revenue generation. However, SLO's analysis does not detail which BLM processes are preventing leasing and production or what SLO would do differently to generate revenue more quickly.

RELATIONSHIP

SB182 creates the Early Childhood Land Grant Permanent Fund (“permanent fund”) and the Early Childhood Land Grant Income Fund (“income fund”). The permanent fund would receive any revenue generated from unleased federal subsurface mineral rights transferred to New Mexico after the effective date of SB182.

JA/sb