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FISCAL IMPACT REPORT

SPONSOR: Aragon, M. DATE TYPED: 03/06/01 HB

SHORT TITLE: NM's Percentage of Oil & Gas Royalties SB SJM 54

ANALYST: Williams

SOURCES OF INFORMATION

LFC Files
Energy, Minerals and Natural Resources Department

SUMMARY

Synopsis of Bill

The memorial proposes that New Mexico receive a larger distribution, a proposed 90 percent, of the receipts from mineral leasing activities on federal lands in the state. The distribution of mineral leasing receipts to the State of Alaska is at 90 percent and the memorial language contrasts economic and fiscal variables for New Mexico and Alaska.

If passed, copies of the memorial would be distributed to the President of the United States, Secretary of the Interior and the New Mexico congressional delegation.

Significant Issues

Under the federal Mineral Leasing Act, distributions for public domain land in New Mexico are at 50 percent. Under other federal acts applying to acquired land, the distribution is 25 percent. The vast majority of mineral leasing activities in New Mexico occurs on public domain land, or the mineral estate managed by the Bureau of Land Management, United States Department of the Interior.

FISCAL IMPLICATIONS

There are no direct fiscal impacts on state revenues from this legislation. However, to the extent that there are increases in the state share of federal mineral leasing receipts, general fund revenues, earmarked for public schools, would increase. The memorial language expresses if the 90 percent distribution were in place this fiscal year, the general fund would receive an additional \$250,000.0.

AW/ar