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FISCAL IMPACT REPORT

ORIGINAL DATE 01/22/14

SPONSOR Griego LAST UPDATED _____ HB _____

SHORT TITLE Interstate Forest Fire Prevention Compact SB 93

ANALYST Weber

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI	NFI			

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Energy, Minerals and Natural Resources Department (EMNRD)
 State Land Office (SLO)
 Office of the State Engineer (OSE)

SUMMARY

Synopsis of Bill

Senate Bill 93 proposes that New Mexico enter into the Interstate Compact for the Prevention and Control of Forest Fires as a member state. Members join to fulfill Compact's purpose of controlling forest fires in the Great Plains region of the United States.

The Compact does not limit the firefighting power of a member state nor does it place mandatory duties on a member state. The Compact provides that there will be no liability for an act or omission occurring during the rendering of aid and that a member state rendering aid is eligible for reimbursement by the state that requests aid. The Compact becomes effective immediately when the bill passes, however, withdrawal from the Compact may only occur if the legislature or governor of the state takes action to withdraw from the Compact and withdrawal is not effective until six months after notice of withdrawal. The manner in which notice is to be given is not specified in this legislation.

FISCAL IMPLICATIONS

A state requesting assistance from another member state becomes liable for the costs incurred by

the assisting member. However, it can be reasonably assumed that these costs would be incurred by some other entity if a compact state does not assist.

Expenses for resources mobilized to New Mexico for fire suppression activities will be paid out of the Emergency Fund via Executive Orders issued by the Governor. The State of New Mexico's expenses for resources mobilized to other states will be reimbursed by the requesting state.

SIGNIFICANT ISSUES

EMNRD notes that enactment of SB 93 will allow much needed wildfire suppression resources from neighboring states to be mobilized to New Mexico during periods of high fire activity. The compact also allows New Mexico to respond to requests for aid from another member state, consonant with the maintenance of protection at home.

The compact will provide firefighting resources that are fully equipped, qualified and trained. Often times these resources can be mobilized within a few hours and decrease response time, because of their proximity to the requesting state. During periods of high fire activity, local and state initial attack resources are scarce.

The compact also includes provisions for liability, claims, and reimbursement. Since the compact is with neighboring and nearby cooperating states, it would reduce the time and complication of billing for state to state resource costs. This is currently accomplished through the federal government, which oftentimes takes longer than dealing directly with a member state. Additionally, the federal government has proposed redacting that reimbursement authority that is currently in place. When the federal process no longer exists, it will be even more critical for states to become members of these compacts.

Current members include Colorado, Wyoming, North Dakota and South Dakota.

MW/ds