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FISCAL IMPACT REPORT

ORIGINAL DATE
LAST UPDATED 02/22/15 **HM** 73/aHEENC

SPONSOR Montoya

SHORT TITLE State Compliance with Mineral Leasing **SB** _____

ANALYST Daly

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Minimal		Minimal	Nonrecurring	Legislative Operating Budget

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files
 Attorney General’s Office (AGO)

SUMMARY

Synopsis of HEENC Amendment

HM 73 quotes language from Title 30 of the United States Code (USC), Part 191. The House Energy, Environment and Natural Resources Committee (HEENC) amends the memorial such that its language conforms to that found in Title 30 USC Part 191.

Synopsis of Original Bill

HM 73 requests the appropriate interim legislative committee review the state's compliance with provisions of the federal Mineral Lands Leasing Act (“Act”) and use of revenue accruing to the state pursuant to the Act, and to develop and propose legislation to be considered at the next session of the Legislature that ensures compliance with the Act.

HM 73 states that Title 30, Section 191 of the Act directs the United States treasury to distribute to New Mexico 50 per cent of the money received from sales, bonuses and royalties collected under the federal Oil and Gas Royalty Management Act of 1982 and the federal Geothermal Steam Act of 1970 attributable to the state. According to HM 73, the Act requires that the money paid to the state is to be as directed by the Legislature, giving priority to those subdivisions of the state that are socially or economically affected by development of minerals leased under the Act for planning, for construction and maintenance of public facilities and for the provision of public service. HM 73 calls for a review of the state’s compliance with the Act and development and proposal of legislation to ensure compliance because a question has arisen as to whether the state is complying with federal law in its distribution of money received pursuant to the Act.

FISCAL IMPLICATIONS

There will be minimal impact to the Legislature's operating budget due to this memorial.

SIGNIFICANT ISSUES

Because HM 73 does not specify which interim committee is tasked with the responsibilities it assigns, it will be up to the Legislative Council to make that determination.

MD/bb