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FISCAL IMPACT REPORT

ORIGINAL DATE 01/26/17

SPONSOR Pirtle/Cisneros **LAST UPDATED** _____ **HB** _____

SHORT TITLE Mescalero Apache Federal Land Transfer **SJM** 3

ANALYST Boerner

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)*

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

*No fiscal impact for the Indian Affairs Department; however, there is insufficient information to determine fiscal impact for the state with respect to real property taxes, water rights or local economies.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Indian Affairs Department (IAD)

SUMMARY

Synopsis of Bill

Senate Joint Memorial 3 (SJM3) resolves to request the United States Congress to transfer eight hundred sixty acres from the Lincoln National Forest to the United States Department of Interior for the use and benefit of the Mescalero Apache Tribe. This area would contain the Sierra Blanca mountains and is the site of Ski Apache which the Mescalero Tribe currently owns and operates. SJM3 notes also that the Sierra Blanca is also one of four sacred mountains of the Mescalero Apache Tribe and that the Tribe has implemented a long-standing sustainable forest management practice within the National Forrest. SJM3 also indicates the transfer of land to the department of the interior would not have negative impacts on real property taxes, water rights or local economies.

FISCAL IMPLICATIONS

IAD notes there is no fiscal impact to the department. However, while the memorial argues the real property tax base of Lincoln and Otero Counties will not be affected by the transfer, that is difficult to determine without understanding the exact proposed status of the land which SJM3 does not address directly. See Significant Issues.

SIGNIFICANT ISSUES

IAD notes that it assumes that the land will not be placed into trust given the assertion that the real property tax base of Lincoln and Otero Counties will not be affected. While SJM3 notes the transfer will for “the benefit of the Mescalero Apache Tribe,” the memorial does not clarify the exact proposed status of the land: whether it will be placed into trust, receive a reservation proclamation, or attain some other status. In short, the term “transfer” of land promotes uncertainty with respect to the impact such transfer would have on the State. It is also not apparent how the use and benefit of the land, to the Mescalero Apache Tribe, will change in light of this memorial.

PERFORMANCE IMPLICATIONS

None noted.

ADMINISTRATIVE IMPLICATIONS

To the extent that the effect of the memorial results in Congress or the BIA placing land into Trust, IAD will likely be required to devote time and resources to a comments process.

CB/jle