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FISCAL IMPACT REPORT

ORIGINAL DATE 2/2/18

SPONSOR Rubio/Garcia Richard LAST UPDATED _____ HM 53

SHORT TITLE State Trust Land for Ecotourism SB _____

ANALYST Jorgensen

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY18	FY19	FY20	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Indeterminate			Nonrecurring	Land Maintenance Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Game and Fish (DGF)
 State Land Office (SLO)
 Tourism Department (TD)

SUMMARY

Synopsis of Bill

House Memorial 53 requests that the State Land Office (SLO) study the feasibility and economic impact of opening state trust lands to additional recreational and ecotourism opportunities. The memorial also requests that the SLO report the findings and conclusions of the study to the Legislature.

FISCAL IMPLICATIONS

SLO states that conducting a study of this kind would require additional funding and staff and that SLO “does not have the available staff or potential expertise needed to devote to such an endeavor.” No estimate of the cost of the study was provided.

SIGNIFICANT ISSUES

According to SLO, the Energy, Minerals and Natural Resources Department’s (EMNRD) State Parks Division is tasked with managing recreational opportunities on New Mexico’s State Parks, which cover approximately. 190,000 acres. Assuming 5 percent of the 9,000,000 acres of State

Trust surface estate is suitable for recreational opportunities similar to a state park, 450,000 acres, or about 2.4 times more than the acreage is currently managed by State Parks, would become available for recreation. This additional acreage would require funding and staff to manage recreation activities. SLO does not currently have staff or funding necessary oversee these recreational opportunities.

SLO and DGF have an agreement allowing for hunting and fishing access on over 8 million acres of State Trust lands.

ADMINISTRATIVE IMPLICATIONS

SLO notes:

While the SLO is supportive of ways to increase revenues through recreational opportunities, the staff and budgeting implications must be considered. The study called for in this memorial is unfunded and would require expenditure from agencies with limited resources.

TECHNICAL ISSUES

The Tourism Department states:

In a third-party research report commissioned by the Tourism Department, total direct visitor spending in 2016 in New Mexico was six billion four hundred and twenty seven million (\$6,427,000,000), of which recreation and entertainment accounted for eight hundred nineteen million six hundred thousand (\$819,600,000). This is contradictory to the statement on p. 2, lines 23-25, which attributes nine billion nine hundred million dollars (\$9,900,000,000) in consumer spending in New Mexico to the outdoor recreation industry alone. Additionally, the same third-party research report shows thirteen thousand one hundred ninety (13,190) jobs directly supported by the recreation industry, which contradicts the ninety-nine thousand (99,000) direct jobs cited on p. 3, line 1, and three hundred million three hundred thousand dollars (\$300,300,000) in direct recreation income, contradicting two billion eight hundred million dollars (\$2,800,000,000) in wages and salaries cited on p. 2, lines 1-2.

CJ/jle/al