LrC Requester:	LFC Requester:	
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AGENCY BILL ANALYSIS 2025 Regular Session

SECTION I: GENERAL INFORMATION

Che	eck all that apply:	Date 1/28/25
Original Correction	X Amendment Substitute	Bill No : HB161
Sponsor:	Rep. R. Dow, Rep. J. Block, Rep. A. Martinez, Rep. T. Lujan, and Rep. D. Sarinana	Agency Name and Code EMNRD 521 Number:
Short	State Park Day Passes for	Person Writing Toby Velasquez
Title:	Veterans	Phone: 505-490-0891 Email toby.velasquez@emnrd.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring	Fund	
FY25	FY26	or Nonrecurring	Affected	
N/A	N/A	N/A	N/A	

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

	Recurring	Fund		
FY25	FY26	FY27	or Nonrecurring	Affected
N/A	TBD	TBD	Recurring	OSF

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	TBD	TBD	TBD	Recurring	OSF

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act:

SECTION III: NARRATIVE

BILL SUMMARY

HB161 requires the State Parks Division (SPD) of the Energy, Minerals and Natural Resources Department to provide one day use pass for unlimited entry into state parks and one camping pass for unlimited use of camping areas operated by the SPD to New Mexico resident veterans.

HB161 provides a definition for veteran to mean a New Mexico resident who:

- (1) was regularly enlisted, drafted, inducted or commissioned in the:
 - (a) armed forces of the United States and was accepted for and assigned to active duty in the armed forces of the United States;
 - (b) army reserve, navy reserve, marine corps reserve, air force reserve, coast guard reserve, space force reserve, army national guard or air national guard and was accepted for and assigned to duty for a minimum of six continuous years; or
 - (c) United States public health service commissioned corps or the national oceanic and atmospheric administration commissioned officer corps and served in the capacity of a commissioned officer while on active duty in defense of the United States; and
- (2) was not separated from such service under circumstances amounting to dishonorable discharge.

FISCAL IMPLICATIONS

SPD generates approximately 75% of its annual operating revenue. Park user fees are critical to accomplish this. The remaining 25% of the SPD's operating budget is provided through the General Fund (GF). On average, over the last 15 years, SPD's GF allocation has been nearly flat.

Since January 2023, SPD has conducted a feasibility study on state park fees, hosting 19 public listening sessions both in-person and virtually across the state. The initiative garnered significant interest, attracting over 400 attendees and generating nearly 1,000 written comments. After evaluating the public input, SPD revised its initial fees proposals which were broadly supported in the rulemaking process. Part of the rulemaking process developed a new annual camping pass for New Mexico veterans and active-duty military, as this was a recurring request from our public outreach. The newly developed and implemented New Mexico veteran-active military annual camping pass is priced equally with the senior and disabled annual camping pass at a cost of \$150 per year. This averages \$0.41 cents per day, and this pass enables free day-use access and free developed camping within the New Mexico State Parks system. Furthermore, SPD implemented free day-use for all New Mexico residents from October 1 – April 30 annually.

According to the Department of Veteran Services (Department) 2024 annual report, there are currently 141,746 veterans in New Mexico. If HB161 is enacted there could be a range of negative financial impacts on SPD's ability to generate new revenue that will better support our annual operating budget. It is important to note that on average, self-generated camping fees comprise approximately 70% of our visitor revenues.

The table below illustrates several scenarios for the potential loss of new revenue based on the veteran-active military annual camping passes that became effective for purchase on January 1, 2025.

Percentage of NM	Number of NM	Annual Day Use Pass	Annual Camping Pass
Veterans Receiving a	Veterans	(\$75 value)	(\$150 value)
Pass (of the 141,746			
statewide)			
5%	7087	(\$531,525)	(\$1,063,050)
10%	14,174	(\$1,063,050)	(\$2,126,100)
15%	21,262	(\$1,594,650)	(\$3,189,300)
20%	28,349	(\$2,126,175)	(\$4,252,350)

SIGNIFICANT ISSUES

SPD is supportive of providing improved access to our veteran populations. Since 2007, SPD has provided a free annual day-use pass and three free nights of camping to all New Mexico resident veterans with a 50% or greater service-connected disability. During fiscal years 2022-2024 we issued an average of 7,800 of these passes annually.

This process is administratively burdensome for SPD as we do not certify the status of New Mexico veterans and must rely on the Department to certify and provide records listing which veterans qualify for this benefit. SPD then purchases the passes, envelopes, and pays the cost of postage for mail out. The Department certifies veteran status but does not provide an option for veterans to update their personal status such as change of mailing address or when a veteran is deceased. As a result, SPD receives approximately 10% of these annual passes as "return to sender," which doesn't serve the veteran, their family, or SPD

HB161 provides a definition for veteran that matches the definition outlined in 9-22-3. D NMSA. However, the Department has the sole authority to receive requests to certify veteran status and determine benefit eligibility.

PERFORMANCE IMPLICATIONS

SPD is already reliant upon external factors to manage this program, making it ineffective, costly, and burdensome. The addition of a requirement to send passes to all New Mexico veterans, would significantly compound this issue. SPD currently produces annual camping permits and annual day use passes for use at state parks. The cost to produce an annual day-use pass and annual camping permit is \$1.62 and \$1.38 respectively. The current cost to mail the passes individually to a New Mexico resident veteran is \$0.74. If the bill requires SPD to issue a day use pass and camping permit to each veteran in the state, the cost would be \$523,042 just for the production and mailing of passes. This does not take into consideration the administrative hours for personnel to effectively manage the program.

In addition to the \$532,042 production and management costs for this program, SPD would stand to lose revenue that is currently being generated through the sale of camping and day use permits. The average revenue SPD received from camping and day use permits from FY2022-2024 is \$4,972,638 per year. According to the Department's 2024 annual report, veterans make up 6.7% of the population in the state. Assuming 6.7% of state parks visitors are resident veterans, we would expect to see a decrease to revenue of approximately 6.7% totaling \$333,166 annually. This number is based on the former state park fee's structure and is likely to be higher due to the recently implemented fees.

ADMINISTRATIVE IMPLICATIONS

HB161 does not specifically state if a day-use pass and camping pass would be issued to all

veterans automatically or if passes would be issued upon request of a New Mexico veteran. To be consistent with the Department of Interior (National Park Service) veterans passes and other states, the pass would be issued upon the request of the veteran and not automatically generated.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

In review of surrounding state park systems like Colorado, Texas, Arizona, and Utah and the "America Beautiful" passes through the Department of Interior (National Park Service), the issuance of unlimited free camping to veterans only is unheard of. Most states and the federal parks provide free day use to veterans only, and camping discounts are rare.

SPD currently offers day use passes to New Mexico veterans that have a 50% or greater service-connected disability. The more efficient alternative is for the Department to manage this program as they have sole authority over veteran status certification and eligibility.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If HB 161 is not passed, SPD will continue to provide free day use passes and three free nights of camping to New Mexico veterans with a 50% or greater service-connected disability. All New Mexico resident veterans and active-duty military will have the opportunity to purchase an annual camping pass at a 50% discount.

AMENDMENTS

None.