LFC Requester:

AGENCY BILL ANALYSIS

SECTION I: GENERAL INFORMATION

Chec	ck all that apply:		Date	1/24/2025
Original	x Amendment		Bill No:	SB86
Correction	Substitute			
		Agency Name and Code EM	INRD 52	1
Sponsor:	Sen. Pete Compos	Number:		
Short		Person Writing	Laura N	IcCarthy
Title:		Phone: <u>505-490-2954</u>	Email	Laura.mccarthy@emnrd.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropr	iation	Recurring	Fund Affected	
FY25	FY26	or Nonrecurring		
	\$625,0.	Nonrecurring	General Fund	

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

	Recurring	Fund		
FY25	FY26	FY27	or Nonrecurring	Affected
	\$625,0.		Nonrecurring	GF

(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						

(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

SB86 appropriates \$625,000 in reverting funds for DFA to administer to contract services for soil and water conservation districts (SWCD) statewide.

FISCAL IMPLICATIONS

SIGNIFICANT ISSUES

EMNRD notes that SB86 does not detail the content of training and outreach services to be provided. The Forestry Division enters into memoranda of agreement and governmental service agreements with many of the SWCDs to perform forest and watershed restoration treatments. The Division researches the audit history of each entity and determines the risk to EMNRD based on whether the entity has material audit findings and the duration of findings over several audit years. If training is provided to the SWCD, there will be fewer high-risk entities and this will enable more SWCD to access state and federal funding.

PERFORMANCE IMPLICATIONS

SB86 may enable SWCDs to receive training in the allowable and appropriate uses of state and federal funding, procurement policies and procedures, budget tracking, and internal and external reporting and audit requirements. This will reduce the SWCD procurement violations and near-violations and lessen the audit risk to EMNRD and other agencies providing the SWCD with state or federal funding.

ADMINISTRATIVE IMPLICATIONS

SB86 may provide administrative efficiency through extensive training in procurement and audit processes which will enable SWCD's to engage with partners more readily for mutually beneficial funding opportunities.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES None

OTHER SUBSTANTIVE ISSUES None

ALTERNATIVES None

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If SB86 does not pass, SWCD's may not have the ability to acquire essential funding for a wide array of projects across the state, many of which promote workforce opportunities for overburdened communities and help them mitigate wildfire risk and protect their watersheds and water sources. This may affect the State's ability to effectively provide services and protection to underserved communities that rely on adjoining forests for natural resources.

AMENDMENTS