

LFC Requester: _____

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION
WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
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(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 2/17/25 *Check all that apply:*
Bill Number: SB 264 Original Correction
 Amendment Substitute

Sponsor: Sens. Munoz **Agency Name and Code** Dept Game and Fish -516
Short Title: Administrative Fee Changes **Number:** _____
Person Writing Michael Sloane
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
NA	NA	NA	NA

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
	10,000	10,000	Recurring	51600

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NA	NA	NA	NA	NA	NA

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: Section 1 in SB 264 relates to amended SB 5 section 8.

Duplicates/Relates to Appropriation in the General Appropriation Act None

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

Section 1 of the bill amends 17-3-13 NMSA 1978 licenses fees:

Resident Licenses:

- Average increase of \$14.85
- 9 of 27 license types unchanged
- Max increase of \$85

Non-resident Licenses:

- Average increase of \$84.20
- 5 of 20 license types unchanged
- Max increase of \$255

The bill directs that the State Game Commission may adjust license fees upwards annually based on inflation starting April 1, 2027 and ending on April 1, 2036.

The bill contains a provision to provide a 25% discount on license fees to resident individuals that participate in the Supplemental Nutrition Assistance Program (SNAP).

Section 2 Amends 25-1-5 NMSA 1978 and allows the board to set fees necessary to carry out the provisions of the Food Service Sanitation Act and for other operational expenses of the department of environment.

Section 3 Amends 52-5-19 NMSA 1978 setting new fees for the workers compensation administrator's fund.

Section 4 Amends 61-14E-9 NMSA 1978 allowing the department to charge and collect fees to cover the reasonable costs to operate and administer the program.

Section 5 Amends 61-33-5 NMSA to set costs that are reasonable for issuing the certificates.

Section 6 Amends 74-1-16 1978 NMSA allowing the board to assess an annual fee to cover the cost of administering and enforcing rules adopted.

Section 7 Amends 74-6B-9 1978 NMSA allowing the board by rule to provide a schedule of fees sufficient to defray the reasonable and necessary costs of 1) reviewing and acting upon applications for the registration of storage tanks; 2) reviewing and acting upon applications for the certification of tank installers and certification of tank testers; 3) implementing and enforcing provisions of the Hazardous Waste Act applicable to storage tanks, tank installers and tank

testers, including standards for the installation, operation and maintenance of storage tanks and the certification of tank installers and tank testers.

Section 8 Amends 74-9-8 NMSA 1978 removing the limit of fees to not exceed \$10,000.

Section 9 Amends 74-9-8 NMSA 1978 to allow fees to be charged on scrap tire haulers, tire recycling facilities, and scrap tire generators.

Section 10 Amends 76-19A-10.1 NMSA 1978 Spay and Neuter program fee to July 1, 2031.

Section 11 Amends 76-24-8 NMSA 1978 allowing for the collection of fees to cover the reasonable costs necessary to carry out the administration of a permit.

FISCAL IMPLICATIONS

Section 1 of the bill increasing hunting and fishing license fees, the first overall increase since 2006, would generate approximately \$10.0 million in new revenue to the Game Protection Fund. The SNAP discount is estimated to reduce potential revenue by up to \$1.0 million which is accounted for in the \$10.0 million revenue estimate.

A fee increase is necessary because the current financial position of the Agency is precarious. The Department has nine (9) funds, eight of which are restricted funds that can only be used for express purposes. The Department relies on the Game Protection fund as its operating fund. The Department has made a number of prudent financial management decisions over the last several fiscal years to lengthen the life of this fund. These decisions have included a flat budget request, moving funds from the Contractual Services and Other categories to the Personnel Services category to support pay increases and retention efforts, and delaying the implementation of approved capital projects.

The Department requires a \$10.0 million balance in the Game Protection Fund (operating fund) at the start of the fiscal year to ensure we have sufficient funding to make payroll and pay bills. Our projections indicate that the Department must have a fee increase to ensure solvency and continue to deliver services and programs while investing in capital projects from hatchery renovations to habitat restoration.

SIGNIFICANT ISSUES

None at this time.

PERFORMANCE IMPLICATIONS

A fee increase would allow the Department to continue to carry out programs and services while ensuring significant habitat restoration projects and species management activities occur to address watershed health and species resilience in the face of a changing environment. The increase would also allow for hatchery renovations and address deferred maintenance.

ADMINISTRATIVE IMPLICATIONS

None at this time.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Section 1 in SB 264 relates to amended SB 5 section 8.

TECHNICAL ISSUES

None at this time.

OTHER SUBSTANTIVE ISSUES

None at this time.

ALTERNATIVES

None at this time.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Projections indicate that the Department will run short of operating funds within the next three (3) fiscal years if operations are maintained at current levels and all appropriated capital projects are undertaken even on a delayed schedule. If the increase is not adopted, the Department will have to reduce expenses by reducing services and/or not undertaking approved capital projects.

AMENDMENTS

None at this time.