

# NEW MEXICO SENATE BILL 454: AGRICULTURAL AND NATURAL RESOURCES TRUST FUND

*To create a fund that provides opportunity and certainty in implementing projects and practices that sustain and improve New Mexico's natural and agricultural heritage.*

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**PURPOSE:** The New Mexico Agricultural and Natural Resources Trust Fund seeks to establish an endowment fund to be used to invest in our state's natural and agricultural resources.

New Mexico is facing a diminishing water supply that has impacted—and will continue to impact—each of our citizens. Agricultural producers, recreationists, municipalities and more have felt this impact and recognize the need to provide a stable water supply for the benefit of all. Land management dramatically impacts available water resources. With the right support and partnerships, landowners and managers can increase water supplies, improve water quality and keep New Mexico's fragile soils intact. The creation of the Agricultural and Natural Resources Trust Fund provides an opportunity to leverage significant additional resources into the state by providing matching funding and stimulating public-private partnerships to secure our land and water future.

Large scale, cross boundary, on-the-ground projects provide a wide range of benefits: improved soil health, improved water holding capacity and water quality, sustained water supplies, increased resilience to catastrophic wildfires and drought, enhanced wildlife and fisheries habitats, productive agricultural lands, viable farms and ranches, and stable rural communities and economies.

The New Mexico Agricultural and Natural Resources Trust Fund is an investment in our future.

## **PROJECTS SHALL SERVE THESE PURPOSES:**

- Demonstrate a public benefit.
- Increase water supply and improve water quality.
- Control, manage or exterminate invading species, noxious weeds and range-damaging pests.
- Encourage and implement land management techniques that promote and improve soil health.
- Conserve, maintain and protect rangeland and forest resources.
- Develop range improvements that enhance range management, agricultural production, soil health and wildlife habitat.
- Participate in water enhancement projects.
- Improve and maintain existing terrestrial and aquatic habitat necessary to maintain optimum wildlife and fish populations.
- Address and mitigate impacts of residential, mineral and industrial development that are detrimental to range and forest resources, livestock forage, wildlife habitat, the environment and multiple use of renewable resources.
- Mitigate conflicts and reduce potential for disease transmission between wildlife and domestic livestock.
- Conserve New Mexico's natural resource heritage.

The New Mexico Department of Agriculture will administer the trust account with assistance from the Soil and Water Conservation Commission and local Soil and Water Conservation Districts. Eligible applicants, including any state agency, instrumentality of a political subdivision of the state or a tribal government, or entity with tax exempt status pursuant to Section 501(c)(3) of the U.S. Internal Revenue Code of 1986 may apply for grants. Eligible applicants must demonstrate matching funds.

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## NEW MEXICO SENATE BILL 454 – FREQUENTLY ASKED QUESTIONS

**Q: How will the creation of the New Mexico Agricultural and Natural Resources Trust Fund benefit our state’s economy and the well-being of our citizens?**

**A:** Water resources and healthy soils are the foundation of New Mexico’s economy, public health and quality of life. Just as any good business reinvests in the resources that sustain it, New Mexico needs to do the same. We are keenly aware of the need to invest in our soil and water resources; the creation of this fund provides a long-term, sustainable way to do so. Improving the health of our watersheds and soils will lead to improved forest, rangeland and riparian resources. This, in turn, benefits forage for livestock, habitat for wildlife and water supplies for people and animals. These benefits will result in viable farms and ranches, improving opportunities for families to remain on the land and sustaining rural communities.

**Q: What is the appropriation for this fund?**

**A:** Senate Bill 454 appropriates \$150,000,000 to the New Mexico Agricultural and Natural Resources Trust Fund. The Agricultural and Natural Resources Trust Fund is intended to be an endowment fund that generates revenue from interest. The annual interest generated will provide funding for projects and practices that meet the requirements set forth in the bill. A large appropriation will ensure that the interest earned is significant enough to generate adequate interest to implement large-scale projects. Money in the trust fund itself will not be expended.

**Q: Is this funding necessary given other federal funding sources?**

**A:** New Mexico has the opportunity to receive large amounts of federal funding for natural resource projects. However, to receive these funds the applicant must provide matching funds. Current state funding is inadequate to meet this need. The funding provided through SB 454 can be utilized to match federal funding.

**Q: Will grants funded from this account be competitive with other, similar state grant programs?**

**A:** There are programs administered by New Mexico state agencies that provide similar benefits. However, those programs are often limited in scope, geography or funding. The New Mexico Agricultural and Natural Resources Trust Fund will provide long-term certainty for funding across the state. This program, combined with existing federal and state programs and landowner efforts, will increase opportunities to maintain and enhance our natural resource heritage. A suite of programs and options is needed to ensure that existing work is not lost and future work can occur.

**FOR ADDITIONAL INFORMATION:** Contact Debbie Hughes, Executive Director of the New Mexico Association of Conservation Districts, or Jessica Crowder, Policy Director for Western Landowners Alliance.

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