

# 30x30 New Mexico

2024 ANNUAL REPORT

PROTECTING NEW MEXICO'S LANDS,

WATERSHEDS, WILDLIFE, AND NATURAL HERITAGE



# CONTENTS

<b>30 by 30 Committee Membership</b>	<b>3</b>
<b>Executive Summary</b>	<b>4</b>
<b>Timeline of 30 by 30 in New Mexico</b>	<b>5</b>
<b>Conserved Lands</b>	<b>6</b>
<b>Identifying Climate Stabilization Areas in New Mexico</b>	<b>7</b>
CSAs and Rangelands	9
<b>Agency Assessments</b>	<b>10</b>
<i>Energy, Minerals and Natural Resources Department Existing Program Review</i>	11
Land Conservation Incentives Act Program	11
Natural Heritage Conservation Act	12
Forest and Watershed Restoration Program	13
Forest Legacy	14
State Parks	14
Land and Water Conservation Fund (State-side)	15
<i>New Mexico Department of Agriculture Existing Program Review</i>	16
Healthy Soil Program (HSP)	16
Soil and Water Conservation District Program	17
<i>Office of the State Engineer &amp; Interstate Stream Commission Existing Program Review</i>	18
Strategic Water Resources	18
<i>New Mexico Department of Game &amp; Fish Existing Program Review</i>	19
<i>New Mexico Environment Department Existing Program Review</i>	20
River Stewardship Program	20
<i>Outdoor Recreation Division / Economic Development Dept. Existing Program Review</i>	21
Outdoor Equity Fund Program	22
Trails+ Grant Program	23
<i>New Mexico State Land Office Existing Program Review</i>	24
Land Office Background	24
NMSLO Conservation Principles	24
Agricultural Leasing Program	25
Land Restoration Program	25
Cultural Resources Office	27
Environmental Compliance Office	28
Conservation Leasing Program	29
Outdoor Recreation Program	30
Landscape Scale Planning Program	31
The Land Exchange Program	32
<i>Indian Affairs Department Existing Program Review</i>	33
<b>Land of Enchantment Legacy Highlights</b>	<b>34</b>
<b>Next Steps</b>	<b>34</b>



# 30 by 30 Committee Membership

## **Energy, Minerals & Natural Resources Dept.**

Melanie A. Kenderdine, Secretary

## **Department of Agriculture**

Julie Maitland, Designee for Jeff M. Witte, Secretary

## **Environment Department**

Jonas Armstrong, Designee for James Kenney, Secretary

## **Office of the State Engineer**

Julie Valdez, Designee for Mike A. Hamman, State Engineer

## **Indian Affairs Department**

Josett Monette, Secretary

## **Department of Game and Fish**

Michael B. Sloane, Director

## **Outdoor Recreation Division of EDD**

Karina Armijo, Director

## **State Land Office**

Will Barnes, Designee for Stephanie Garcia Richard, Commissioner of Public Lands

## **Committee Staff**

Dylan Fuge, EMNRD Deputy Director

Laura McCarthy, EMNRD State Forester

Ben Shelton, EMNRD

Jacob Pederson, EMNRD

Carmen Austin, EMNRD

Michael Chacon, IAD

Max Henkels, NMDA





# Executive Summary

Governor Michelle Lujan Grisham signed Executive Order 2021-052, Protecting New Mexico’s Lands, Watersheds, Wildlife, and Natural Heritage, in August 2021. The order begins by identifying the multiple values provided by conserved lands and waters:

*New Mexicans rely on the State’s lands and watersheds to support our economy, sustain traditional ways of life, provide our drinking water, ensure food security, preserve biodiversity, and provide recreation opportunities that promote the health and wellbeing of all who call New Mexico home.*

Agencies named in the 30 by 30 Executive Order are directed to review and utilize existing programs, funding, and authorities to reach the targets of conserving at least 30 percent of all lands in New Mexico by 2030, with an additional 20 percent of lands designated as climate stabilization areas. Over the past two years, the Committee has made significant progress toward these goals, conducting extensive outreach to tribal governments, stakeholder groups, and the general public, and then recommending working definitions for Conserved Lands and Climate Stabilization areas.<sup>1</sup>

In this year’s Annual Report, the 30 by 30 Committee finds that approximately 35% of lands in New Mexico are currently conserved, exceeding the target. However, this does not indicate conservation objectives are achieved or that conservation values in New Mexico are safe. Risks from drought, wildfire, and other harms cannot be mitigated by conservation status alone. Areas of greatest conservation value on both public and private lands are in need of protection from threats related to climate change and natural disasters.

The work of the Committee is now shifting from convening to implementation and focusing on the problem of climate stabilization for all lands that provide conservation values. This report provides an update on the Committee’s progress toward identifying Climate Stabilization Areas (CSAs), which focus on lands in the state that provide conservation values yet lack durable protections. For example, vegetation on private lands in New Mexico contain over 39 million metric tons of carbon—more carbon than any federal or state landowner category, with the exception of the National Forest System lands managed by the USDA Forest Service. This report also provides highlights from the recently established Land of Enchantment Legacy Fund, which will be instrumental in providing resources for conservation action in the years ahead.

Protecting and enhancing carbon storage and other conservation values is a complex and challenging task, but public support for these efforts is strong.<sup>2</sup> The development of parks, recreational opportunities, hunting and fishing, and voluntary conservation actions by private landowners will continue to be important for conservation progress. But deeper, focused, coordinated efforts to preserve these values regardless of ownership are necessary to make a difference decades and centuries from now.

<sup>1</sup> For a full description of previous 30 by 30 accomplishments and activities, visit [Framework for a Uniquely New Mexico 30 by 30 - Forestry \(nm.gov\)](https://www.nm.gov/30by30/forestry).  
<sup>2</sup> [2024 State Fact Sheets NM.pdf \(coloradocollege.edu\)](https://www.coloradocollege.edu/fact-sheets)



# Timeline of 30 by 30

## TIMELINE OF 30 BY 30 IN NEW MEXICO

**August 2021:** Issuance of Executive Order 2021-052

**December 2022:** First meeting of 30 by 30 Committee

**Spring 2022:** Development of 30 by 30 Framework, Processes and Principles

**March 2022-October 2023:** Tribal and Public Engagement

**Summer 2022:** Request for Information 1

**October 2022:** Request for Information 2

**Spring 2023:** Senate Bill 9 creating the Land of Enchantment Legacy Fund enacted by the legislature and signed by Governor Michelle Lujan Grisham

**June 2023:** Annual Report with definitions for Conserved Lands and Climate Stabilization Areas released

**November-December 2023:** Agency assessments conducted

**Spring 2024:** Land of Enchantment Legacy Fund fully funded

**July 2024:** State conservation programs receive first funding from Land of Enchantment Legacy Fund



# Conserved Lands

The 30 by 30 Committee defines "Conserved Lands" as any land in a primarily natural or traditionally managed condition that is both durably protected and managed to provide or maintain ecosystem services, climate resiliency, or cultural values. These services and values include supporting New Mexico's economy, protecting traditional ways of life, providing drinking water, ensuring food security, enhancing biodiversity, and providing equitable and inclusive recreational opportunities to promote the health and wellbeing of all who call New Mexico home.

The definition of Conserved Lands was developed over a two-year period with extensive public engagement. The 30 by 30 Committee drafted the definition, sought public input, and then revised the definition twice based on comments. The final definition was included in the 2023 Annual Report. Using this definition, the 30 by 30 Committee determined how much land in New Mexico fit the definition. The Committee found that approximately 35% of New Mexico land is currently conserved, a reflection of the extensive federal land holdings in the state. To arrive at this figure, the Committee included all lands included in the US Protected Area Database Gap Analysis Program (PAD-US GAP) levels 1, 2, and 3,<sup>3</sup> with the exception of public lands under oil and gas development leases. The Committee found that these uses are not compatible with conservation values such as providing recreational opportunities and preserving biodiversity.

Most conserved lands are federally owned and managed. While some extractive uses are permitted, modern management on the majority of federal lands in New Mexico prioritizes the enhancement and preservation of water resources, recreation, wildlife, and grazing—all values that are compatible with the Committee's definition of Conserved Lands. For example, timber sales are a management strategy across many National Forest System Lands. However, virtually all timber sales in the Southwest are designed to reduce forest fuels and mitigate the threat of catastrophic wildfires, thereby protecting watersheds and the communities that depend on them.

Land Status	Sum of Conserved Acres
National Forest System Lands	10,531,480.00
BLM Lands	8,508,509.00
Conservation Easements	2,514,761.00
Department of Defense Lands	2,332,364.00
National Parks, Historic Parks, and Monuments	392,345.00
National Wildlife Refuges	386,202.00
State Wildlife Management Areas	261,067.00
State Parks	96,870.68
Wilderness (Non-USFS, Non-BLM)	96,440.00
Local Conservation Areas	1,231.00
<b>Grand Total</b>	<b>25,121,269.68</b>

Table 1 Over 25 million acres of land in New Mexico meet the 30 by 30 Committee's definition of Conserved Lands

<sup>3</sup> USA Protected Areas - GAP Status Code (Mature Support) - Overview ([arcgis.com](https://arcgis.com))



# Identifying Climate Stabilization Areas

The 30 by 30 Committee defines "Climate Stabilization Areas (CSAs) as "lands in a natural or semi-natural condition that lack durable protections but are nevertheless actively managed using either modern or traditional practices to maintain or enhance ecosystem services, land-based carbon sequestration, or climate resiliency." This definition was also created with multiple rounds of public engagement and comment and included in the 2023 Annual Report.

The science and accounting of carbon storage, particularly carbon stored within vegetation and soils, is fundamental to identifying CSAs, evaluating public program contributions to these lands, and developing tools to support the conservation values they provide. Over the past two years, the Energy, Minerals, and Natural Resources Department (EMNRD) Forestry Division has worked with the University of New Mexico and the University of Maryland to support the development of a Carbon Monitoring System to quantify above ground biomass, or the amount of carbon stored in forest vegetation across the state.

The Carbon Monitoring System uses satellite imagery and LiDAR data to produce the most accurate estimates of above ground biomass available, a global model trained on New Mexico data (Figure 1). Carbon Monitoring System results closely track forest cover in New Mexico. The two largest landowner categories in terms of carbon storage are the USDA Forest Service (54% of total above ground biomass in the state), followed by private landowners (23%).

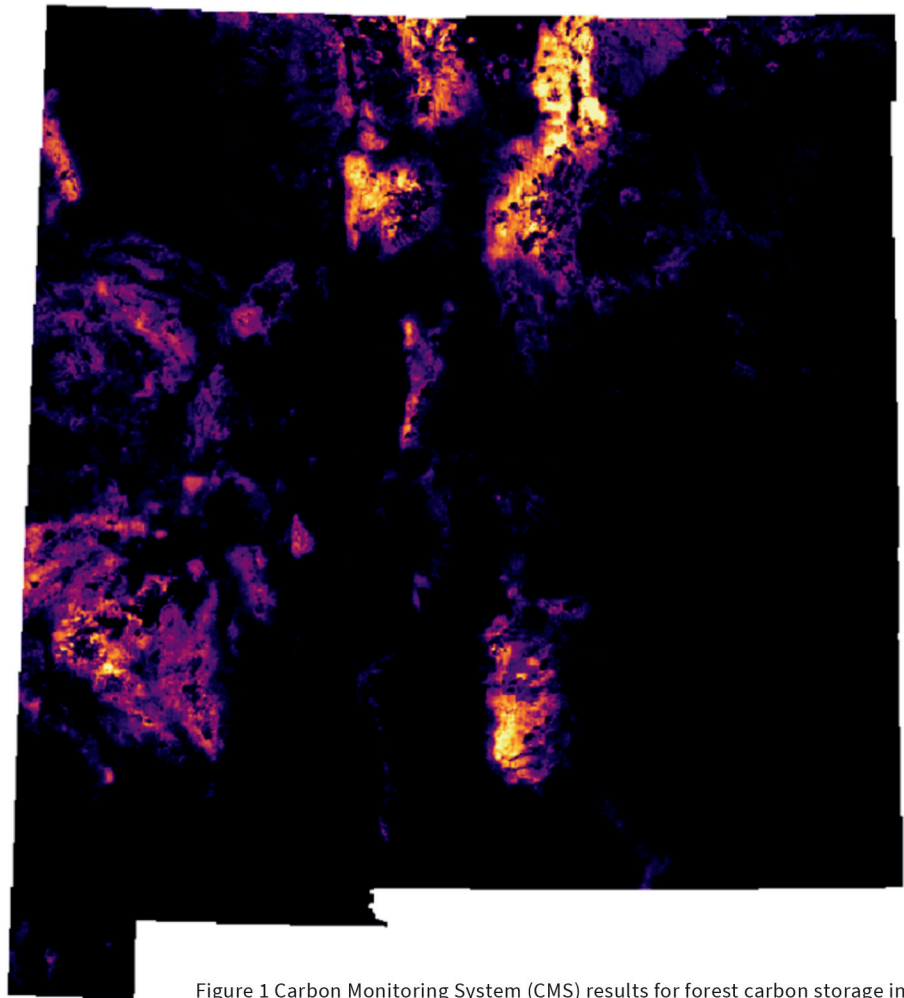


Figure 1 Carbon Monitoring System (CMS) results for forest carbon storage in New Mexico based 2021 imagery provide reliable estimates of metric tons of above ground biomass stored at a 1km<sup>2</sup> scale. Brighter areas indicate higher levels of biomass.



# Identifying Climate Stabilization Areas

The Hermits Peak Calf Canyon Fire in 2022 demonstrates what is at stake and why supporting active management of these lands, whether publicly or privately owned, conserved or not, is essential. The fire burned over 341,745 acres of land, including over 200,000 acres of private land and significant portions of the Pecos Wilderness. An estimated 1,484 structures were impacted. Approximately 3.5% of all above ground biomass in the state fell within the fire burn area. One third of this area is considered severely burned, and as much as 1.2% of all above ground biomass in New Mexico was lost during this fire.

New Mexico Office of the State Engineer (OSE) Regional Water Planning efforts and several state agency programs evaluated in this report play an important role in mitigating risks of future disasters. Community water infrastructure depends on the health of the

watersheds that feed them, and many landowners impacted by wildfires rely on rural wells and small local water systems. Wildfire disasters severely impact the land’s ability to absorb precipitation and recharge groundwater resources. A proactive approach to manage forest and watershed communities requires coordinating efforts across agencies and programs, as well as coordination with federal partners who more often than not own lands in watersheds upstream of at-risk communities. Climate Stabilization Areas are difficult to map, and quantify, but the planning efforts described above are continually improving the ability of state agencies and other land managers to identify the most important projects and leverage programs and partnerships that contribute to the preservation of conservation values across New Mexico’s most vulnerable communities.

Ownership	Metric Tons of Carbon
USDA Forest Service	92,988,940
Private	39,754,624
Tribes, Nations and Pueblos	22,177,928
US Bureau of Land Management	6,907,653
State Trust Lands	4,612,665
New Mexico Department of Game and Fish	1,666,810
National Park Service	1,574,964
US Department of Defense	725,126
US Department of Energy	161,084
US Fish and Wildlife Service	107,605
Bureau of Reclamation	92,089
State Parks	53,295
Other	5
<b>Total</b>	<b>170,822,788</b>

Table 2 Estimates of above ground biomass across major land ownership categories in New Mexico are based on a Carbon Modeling System model built by the University of Maryland with support from EMNRD, the University of New Mexico, and the US Climate Alliance.



# CSAs AND RANGELANDS

Forested watersheds do not tell the whole story of carbon resources in the state. Rangeland is roughly 90% of New Mexico’s land base.<sup>4</sup> These open landscapes are typically defined as areas where the native vegetation is predominantly grasses, grass-like plants, forbs, or shrubs that are managed as natural ecosystems.<sup>5</sup> Healthy rangelands can meet all three aspects of New Mexico’s definition for Climate Stabilization Areas by enhancing ecosystem services, land-based carbon sequestration, and climate resiliency. Rangelands also support important cultural values by providing grazing for wild and domestic animals. The state of New Mexico is dedicated to supporting the ways in which land managers, both private and public, can store additional carbon and build ecosystem resilience on our state’s vast rangelands.

New Mexico is taking the following actions to support rangeland climate stabilization:

- New Mexico State University (NMSU) is leading research regarding rangeland carbon management for New Mexico’s dry climate. In 2022, NMSU established the National Center on Carbon Management and Soil Health in Arid and Semi-Arid Environments to identify, verify and disseminate cost-effective practices for soil health and carbon management in all major land use types (croplands, rangelands, forests, and urban lands). In 2024, NMSU established a monitoring site at Corona Range and Livestock Research Center in Lincoln and Estancia counties to study the baseline carbon levels for rangeland plant communities typical of the state. In the future, this site will be used to research how grazing and other management practices can influence soil carbon sequestration.
- New Mexico Department of Agriculture’s (NMDA’s) Healthy Soil Program awards annual grants to land managers (i.e. farmers and ranchers) and local governmental entities to implement practices that improve the health, yield and profitability of the soils of the state. In fiscal year 2024, NMDA supported 19 projects occurring on rangelands across the state.
- New Mexico State Land Office is partnering with BCarbon, a nonprofit carbon credit registry, to measure and monitor soil carbon on state trust lands in Eastern New Mexico. This multi-year project is aimed at developing technology for accurately measuring soil carbon on a large scale and assessing the potential for establishing carbon credits on New Mexico’s grazing lands.

<sup>4</sup> New Mexico Range Plants. Circular 374. 2011. Revised by Christopher D. Allison and Nick Ashcroft. College of Agricultural, Consumer and Environmental Sciences, New Mexico State University. <https://pubs.nmsu.edu/circulars/CR374/>

<sup>5</sup> Bedell, Thomas E. A Glossary of Terms Used in Range Management: A Definition of Terms Commonly Used in Range Management. 4th ed. Denver, Colo: The Society, 1998.



# Agency Assessments



Executive Order 2021-052 called for review of existing authorities, funding, and programs to support and implement programs designed to conserve, protect, and enhance lands and natural environments across the state, and identification of state legislative and policy changes to enhance the tools and programs available for state level conservation and outdoor recreation efforts.

Agencies named in Executive Order 2021-025 conducted assessments between July 2023 and February 2024 to evaluate the effectiveness of existing programs and authorities to meet conservation goals, identify gaps that hinder program performance, and to identify ways of improving program performance and coordination. The following is an assessment of each program's effectiveness, gaps, and opportunities for improvement. Additional program details are available in the 30 by 30 New Mexico 2023 Annual Report.

30 by 30 is a venue for state agencies to explore ways to coordinate conservation activities across multiple programs and objectives. The effectiveness, gaps and improvements sections of agency reviews include analyses of these opportunities.



# ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT EXISTING PROGRAM REVIEW

EMNRD has six existing programs that contribute to the state’s 30 by 30 goals. These are the Land Conservation Incentives Act Tax Credit Program, Natural Heritage Conservation Program, Forest and Watershed Restoration Program, Forest Legacy Program, State Parks, and Land and Water Conservation Fund Stateside Program.

## LAND CONSERVATION INCENTIVES ACT PROGRAM

### *Effectiveness*

The Land Conservation Incentives Act Tax Credit Program is a tax credit that has incentivized permanent conservation of important habitat or natural, open space or historic resources on 584,512 acres of land since the program was started in 2004.

### *Gaps*

The statutes, NMSA 1978, Sections 7-2-18.10 and 7-2A-8.9 set a cap of a \$250,000 tax credit per donation of a conservation easement. The statutes were last amended in 2007 and land values have increased substantially since then. Landowners compensate by placing an easement on one section of their property per year, “phasing”, so a conservation project that could have been done in one year if the tax credit limit were higher is spread over several years. This results in increased transaction costs (appraisals, recording fees, title policies) for the landowners and land trusts and increased workloads for the Forestry Division. In addition, it results in landowners placing conservation easements on smaller properties than if “phasing” did not occur.

The Forestry Division administers the program and accepts electronic format as specified in 3.13.20.9(D) NMAC but does not accept online submittals through a website and requires submittal of one hard copy and one electronic medium (such as a USB drive or CD) which is out of date with current technology.

New Mexico’s property tax for undeveloped land is based on its capacity to produce agricultural products or on fair market value, without providing a property tax category for land that is managed for conservation purposes such as wildlife or riparian habitat, water or biodiversity conservation, open space, outdoor recreation other than hunting and fishing, or carbon capture.



*La Joya Farms Conservation Easement #3 (96 acres) – This property is located in Socorro County and contributes to the protection of wildlife habitat and open space. The project is currently in-progress and is eligible for a maximum conservation incentive tax credit. Photo Credit: Amy Erickson, Rio Grande Agricultural Land Trust*



# ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT EXISTING PROGRAM REVIEW



View across the Brewster conservation easement on 290 acres in the Galisteo Basin, Santa Fe County. Photo Credit: Ariel Patashnik, Santa Fe Conservation Trust

## Improvements

- Amend the rule to increase the maximum tax credit allowed. This will result in more acres conserved per year and will reduce workload per acre conserved for EMNRD and the Taxation and Revenue Department.
- Amend the rule to only require one paper copy and one electronic copy on a thumb drive for the assessment application and two paper copies and one thumb drive for the certification applications.
- Increase state funding to complement federal forest stewardship funding to provide forested landowners with increased technical assistance to develop stewardship plans and enroll their forest in the Tree Farm Program so the property qualifies as agricultural under the property tax code.
- An improvement that goes beyond the conservation benefits of the Land Conservation Incentives Act Tax Credit Program would be to broaden the definition of agricultural use in the property tax code. The proposed improvement is to include enrollment in natural resources conservation programs under an agreement with a state or federal agency in the definition of agricultural use or to create a conservation property tax category. This would provide an incentive for low-income landowners (who are not served by the current tax credit program) to conserve their land if they are not interested in or able to continue agricultural production such as crops, trees, forest products, orchard crops, livestock, poultry, captive deer or elk, or fish.

## NATURAL HERITAGE CONSERVATION ACT

### Effectiveness

The Natural Heritage Conservation Program will receive its first dedicated funding in FY25 through the Land of Enchantment Legacy Fund. However, rules for the program were developed more than a decade ago after the Natural Heritage Conservation Program Act was passed in 2008, and the efficacy of the rule has not yet been tested. In spring of 2024 the Division issued its first request for applications under existing rules in anticipation of new funding. Early feedback from prospective applicants following this RFA is being considered as the Division explores potential rule updates to improve the program's utilization and efficacy.



# ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT EXISTING PROGRAM REVIEW

## *Gaps*

The rule [19.1.3 NMAC] guiding implementation of the Natural Heritage Conservation Act [75-10-1 et seq. NMSA 1978] has not been tested since the program was authorized by the legislature but funds were never appropriated.

Anticipating what the program could do, House Bill 265 in the 2021 legislative session, “Amending the Natural Lands Protection Act and Natural Heritage Conservation Act,” changes the name of the “Natural Heritage Conservation Fund” and would have allowed fee lands to be acquired from funds in the Natural Lands and Heritage Conservation Fund. However, making EMNRD eligible to own lands would have created a new workload that exceeds EMNRD’s current ability to administer because the Forestry Division is not a land management agency on the scale of the State Land Office, State Parks Division, or Department of Game and Fish.

New Mexico Land Grants do not have land acquisition authority and if NMSA 1978, Sections 49-1-3 were amended to acquire lands and NHCA was amended to allow fee acquisitions, at least for land grants, the NHCA could be a source of funding for them to reacquire the historical ejidos (common lands).

## *Improvements*

- Amend NMSA 1978, Section 49-1-3 to allow New Mexico Land Grants that are political subdivisions to acquire lands.
- Amend NHCA to allow land grants that are political subdivisions to use funds to acquire lands.

## FOREST AND WATERSHED RESTORATION PROGRAM

### *Effectiveness*

The Forestry Division provides technical assistance and funding for forest and watershed restoration treatments in the top 500 watersheds in New Mexico with high-risk of wildfire that would damage communities, water sources, and wildlife habitat. The Forestry Division accomplished 15,000 acres of restoration directly in FY23 and partnered with land management agencies, local and tribal government, community organizations, soil and water conservation districts, and others to accomplish an estimated 125,000 acres/year of restoration.

Governor Lujan Grisham’s recently released 50-Year Water Action Plan calls for continued implementation of the 2020 Forest Action Plan to accelerate the pace and scale of water source protection projects.

### *Gaps*

The science-based 2020 Forest Action Plan set goals for the state that are not yet achieved. The goals are to ramp up the pace and scale of treatments over the next 10 years, eventually treating 145,000 high-priority acres of private, tribal, state, and local agency lands each year and 300,000 acres per year by all parties on all jurisdictions.

Federal funding available through the Bipartisan Infrastructure Law and Inflation Reduction Act has triggered a capacity gap in the availability of contractors with trained employees to perform the work. The lack of consistent work for contractors who perform the forest and watershed restoration work – whether mechanized or with hand crews – is identified as a critical gap. Every time work shuts down the contractor incurs extra costs to move the machinery to another job or their trained employees may quit because of the gap in workdays. Common reasons for gaps in work consistency include:



# ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT EXISTING PROGRAM REVIEW

- Fiscal year transition (closing PO and encumbering new PO)
- 50% rule halts spending in fall before snow arrives; the operator cannot resume in January because of snow and mud and conditions may not improve until April
- Wildlife habitat restrictions, especially for Mexican spotted owl, northern goshawk, and Southwest willow flycatcher, that occur when weather and road conditions are ideal for forest and watershed restoration
- Federal funding awards are made in May/June and misaligned with state fiscal year deadlines, which can delay contracts with federal funding by months
- Federal contract and agreement deadlines in July/August are misaligned with state funding availability at the start of our fiscal year
- Expiration of master agreements may unintentionally restrict the available work period for contractors

## **Improvements**

- Improved coordination of agencies and organizations within a geographic area to plan work for contractors to avoid gaps and to provide contractors with nearby alternative work sites when a project shutdown is unavoidable.
- Amend the 50% rule statute to exempt forest and watershed restoration activities.

## **FOREST LEGACY**

### **Effectiveness**

The Forest Legacy Program (FLP) is a conservation program administered by the U.S. Forest Service in partnership with State agencies to encourage the protection of privately owned forest lands through conservation easements or land purchases. Completed projects in New Mexico include High Country Ranch, Horse Springs, and Vallecitos Mountain Refuge, and a project to protect the Brazos Cliffs is nearing completion. The FLP is now permanently funded through the Land and Water Conservation Fund, which provides an incentive for New Mexico to develop new projects.

### **Gaps**

The FLP requirements are extensive and require significant staff time to work with the landowner, appraisers, and attorneys. New Mexico has a capacity gap in state agency personnel and land trust staff to develop and steward new FLP projects.

### **Improvements**

The Forestry Division is piloting a program to use federal funds from the Bipartisan Infrastructure Law to provide grants to land trusts and other non-governmental entities involved in conservation for staff capacity to develop new FLP projects.

## **STATE PARKS**

### **Effectiveness**

NMSA 16-2-11 enables and provides criteria for the acquisition of lands for parks and recreational purposes. The State of New Mexico is authorized to acquire lands or interests in lands for state park or state recreational purposes by gift, donation, devise or purchase. Acquired lands or interests in lands shall be held for the use of the State to develop, maintain and operate them as state parks or state recreational areas. In acquiring real property or any interest in real property, the power of eminent domain shall not be used.



# ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT EXISTING PROGRAM REVIEW

## *Gaps*

There is continued interest in expanding the state parks system, and the State Parks Division is tasked to: identify the types of land or interests in land that should be prioritized for acquisition; review current public land ownership and protection; establish goals for future acquisition; and to recommend one or more funding sources for land acquisition.

## *Improvements*

The State Parks Division needs to develop more administrative staff and contractual support for land acquisition evaluations and actions to include survey, right-of-way, transfer, leasing, contracting, consulting, and engagement with local, state, federal, and non-profit entities.



## LAND AND WATER CONSERVATION FUND (STATE-SIDE)

### *Effectiveness*

The Land and Water Conservation Fund (LWCF) is administered by the State Parks Division. The LWCF financial assistance program is a matching grant program for state and local public outdoor recreation projects. Projects are only eligible to receive up to 50 percent of their funding from the LWCF; the rest must come from state and local project sponsors. Money is allotted to states using an established formula: a portion of the money is divided equally among all states and territories, and the remainder is allocated based on needs (partly determined by state population). No more than 10 percent of total stateside LWCF spending can go to a single state.

### *Gaps*

Opinions differ regarding how to allocate LWCF funds among current programs, and there is debate over whether to alter the fund's purposes to broader, narrower, or different priorities (e.g., facility maintenance). Another area of focus is whether to codify in law the Outdoor Recreation Legacy Partnership Program, which makes competitive grants to states for outdoor recreation, and the terms and conditions of any such program. Congress also continues to oversee the Administration's development and implementation of LWCF guidance, the selection of projects that receive LWCF monies, and administration of the program.

### *Improvements*

- The State Parks Division will improve its administration of the program to ensure that eligible and approved projects are awarded annually and that all available formula grant funds are expended.
- Applicants will need to develop matching funds and prepare project proposals that meet the evaluation criteria as established and evaluated by the National Park Service.
- The National Park Service should evaluate options to make the application and grant submittal procedures as straightforward as possible. The complexity of the program is challenging for state administration and program applicants.



# NEW MEXICO DEPARTMENT OF AGRICULTURE EXISTING PROGRAM REVIEW

The New Mexico Department of Agriculture (NMDA) has two existing programs that contribute to the state's 30 by 30 goals. These are the Healthy Soil Program and Soil and Water Conservation District Program.

## HEALTHY SOIL PROGRAM (HSP)

### *Effectiveness*

NMDA's Healthy Soil Program (HSP) provides one-year competitive grants to farmers, ranchers, land managers, and local governmental entities to implement practices that improve the health, yield, and profitability of New Mexico's soils. Since 2019, NMDA has awarded more than \$2.4 million in HSP grants to 158 on-the-ground projects. Starting in fiscal year 2025 (FY25), HSP will receive increased state funding from the Land of Enchantment Legacy Fund. NMDA makes modifications to HSP every year to improve its accessibility, administrative efficiency, and effectiveness in promoting soil health practices.

**Strategic Plan:** NMDA is in the process of creating a state soil health plan based on the authorizing legislation for the HSP. This plan will be adaptively managed as a blueprint for strategic program development and to track programmatic progress.

### *Gaps*

**Monitoring:** NMDA has lacked staff capacity to visit every project each year. So far, NMDA has relied on grantee self-reporting and local partners for monitoring HSP implementation and the measurement of outcomes.

**Administrative burden:** NMDA has managed the HSP with only pre-existing staff resources. In FY23, NMDA received funding for one additional staff. The administrative demands have increased greatly along with the funding and number of projects.



### *Improvements*

- **Administration:** NMDA has created additional staff positions that can handle the increased administrative load, improve project oversight, and support continued HSP growth. NMDA evaluates the HSP on an annual basis to improve all aspects of the program.
- **Monitoring and reporting:** NMDA is developing protocols to quantify and track soil health impacts from projects. This will help NMDA evaluate the effectiveness of HSP grants, improve accountability and guide future program development.
- **Outreach and participation:** Every year, NMDA continues to expand its outreach statewide and improve access for the diverse communities.
- **Increase eligible entity participation:** NMDA is promoting the program to SWCDs, tribes, nations, pueblos, acequias, land-grant mercedes, and other eligible entities to encourage larger, landscape-scale projects that benefit multiple landowners.
- **Capacity building:** NMDA is working with eligible entities to improve their capacity to assist land managers (farmers, ranchers, etc.) to implement HSP practices on their land. In addition, eligible entities such as soil and water conservation districts, tribes, pueblos, and nations can develop their comprehensive conservation plans for improved local implementation of the HSP.



# NEW MEXICO DEPARTMENT OF AGRICULTURE EXISTING PROGRAM REVIEW

## SOIL AND WATER CONSERVATION DISTRICT PROGRAM

### *Effectiveness*

Soil and water conservation districts (SWCDs) are independent political subdivisions of the state authorized to perform a variety of conservation functions. The forty-seven SWCDs throughout New Mexico are governed by boards of elected or appointed supervisors. SWCDs receive operational support from NMDA funds and can apply for project funding through grant programs, such as the Soil and Water Conservation Commission's Water Quality Control and Conservation grant. SWCDs facilitate and implement conservation on private lands and across jurisdictional boundaries, including projects related to water conservation, water quality, soil health, forestry, and noxious weed control. SWCD effectiveness varies district-to-district depending on local resources, staff capacity, and the engagement level of the board of directors. Starting in FY25, NMDA's SWCD program will receive increased state funding from the Land of Enchantment Legacy Fund.

### *Gaps*

Local capacity: SWCD capacity, including funding, staffing, and expertise, varies greatly throughout the state. NMDA is working to improve the baseline capacity for all districts so that they can successfully access and implement conservation funding opportunities.

### *Improvements*

- Education and training: NMDA continues to provide and improve training opportunities for SWCD board supervisors and employees.
- Facilitate SWCD access to state and federal funding sources: NMDA can help SWCDs to secure funding for specific projects and for base operational capacity. Land of Enchantment Legacy Fund money can be used to leverage federal funding opportunities and expand conservation efforts.





# OFFICE OF THE STATE ENGINEER & INTERSTATE STREAM COMMISSION EXISTING PROGRAM REVIEW

The New Mexico Office of the State Engineer (NMOSE) & Interstate Stream Commission (ISC) have one existing program that contributes to the state's 30 by 30 goals, the Strategic Water Reserve.

## STRATEGIC WATER RESOURCES

### *Effectiveness*

Since the creation of the Reserve in 2005, the ISC has received approximately \$14.5 million from legislative appropriations, and other sources, for implementation of the Reserve, including a \$7.5 million special appropriation in the 2023 legislative session. So far, the Commission has allocated most of the funds to acquire water rights or leases on the Lower Pecos River, Middle Rio Grande and San Juan River and has expended about \$5.5 million.

### *Gaps*

Implementation of the Reserve has suffered from a lack of sufficient, consistent, and dependable funding. Water rights acquisitions can take several years, if not more, to effectuate. In addition, water rights in priority river reaches are often unavailable, difficult to secure, or prohibitively expensive. Another challenge is that appropriations for the Reserve are often limited in timeframe, including the 2023 appropriation which was a single year appropriation, or limited to water rights purchases, rather than leases. On some priority reaches leases may be viable and would be beneficial when no rights are available for purchase.

This program does not allow for land acquisitions.

### *Improvements*

In light of almost 20 years of implementation, the ISC is currently gathering internal and external input related to lessons learned and strategies to improve implementation of the Reserve. This could ultimately include revised rulemaking and/or a proposed statute revision in the 2025 legislative session.





# NEW MEXICO DEPARTMENT OF GAME & FISH EXISTING PROGRAM REVIEW

Sections 17-4-34 NMSA provides the New Mexico State Game Commission with the authority to require the purchase of a habitat management stamp. Revenue from this fee is deposited in the "habitat management fund". Money in the habitat management fund is used for the improvement, maintenance, development and operation of property held by the NM State Game Commission, and managed by the Department, as wildlife management areas.

## *Effectiveness*

The Department manages approximately 250,000 acres across New Mexico as wildlife management areas. These properties provide outdoor recreational opportunities, contribute to the conservation of biodiversity, and support landscape-scale restoration opportunities. The Department utilizes approximately \$1,000,000 of habitat management funds annually to support these restoration activities. These funds are matched to federal Pittman-Robertson funds, thereby quadrupling the funds available for this type of work. Recent activities have included forest and slope wetland restoration projects on several properties in the northern half of the state, including Rio Chama, Sargent, and Colin Neblett Wildlife Management Areas. These projects are designed to increase wetland acreage and reduce the threat of catastrophic wildfire across thousands of acres. In addition, the Department has recently completed a large, multi-million-dollar water infrastructure improvement project in Bernardo Wildlife Management Area. This project should increase wildlife habitat acreage and allow the Department to use limited water resources more efficiently.

## *Gaps*

There is continued interest in expanding the scope and scale of wildlife habitat and watershed restoration projects on wildlife management areas statewide. Currently, gaps exist in the capacity of Department personnel to develop and oversee large scale habitat enhancement projects across the state, and in contractor availability to conduct restoration activities during limited timeframes.

## *Improvements*

The New Mexico Department of Game & Fish could use additional staff or additional contractual services to increase the number and size of forest and other habitat restoration projects on wildlife management areas. In addition, added capacity is needed to improve land health evaluations, restoration action plans, and pre and post monitoring activities related to these projects. Specifically, significant benefit could be gained by increasing the pace of forest restoration on the Colin Neblett Wildlife Management Area by leveraging capacity and other resources at partner organizations, such as New Mexico Forestry Division.





# NEW MEXICO ENVIRONMENT DEPARTMENT EXISTING PROGRAM REVIEW

## RIVER STEWARDSHIP PROGRAM

### *Effectiveness*

The River Stewardship Program (RSP) continues to build on successes of past and ongoing watershed, river, and wetland restoration efforts carried out by local watershed groups, Soil and Water Conservation Districts, Non-Governmental Organizations (NGOs), and state and federally agencies using federal Clean Water Act 319 funding and state funding sources. Since the inception of the River Stewardship Program in 2015 (previously the River Ecosystem Restoration Initiative from approximately 2007 to 2014), 66 projects have been funded statewide. RSP issues frequent Requests for Proposals enabling the program to select high value projects that produce improvements in water quality, enhance the natural function of rivers and their ecosystems, improve flood mitigation, restore aquatic and riparian habitat, and increase resilience to climate change. Cooperators also leverage RSP funding with other restoration programs, funding sources, and volunteer events to maximize project benefits, which stretches each dollar invested in RSP far beyond its face value. Past projects have created and restored hundreds of acres of wetlands that sequester carbon from the atmosphere and restored miles of stream and riparian habitat increasing the resilience of these vulnerable ecosystems to climate change and wildfire. RSP projects provide educational opportunities, local jobs statewide, and contribute to the tourism and recreation economies of New Mexico.

### *Gaps*

Improving internal and inter-agency processes (e.g., State Purchasing Division processes for Request for Proposals) to ensure that contracts are executed in a reasonable time frame is essential for project success because it gives cooperators the maximum amount of time possible for project activities and implementation. Planning, design, construction, and monitoring of River Stewardship Projects is time and resource intensive for cooperators. Additionally, construction and monitoring activities are often limited to a few months of the year due to ecological, biological, and weather constraints making project planning and scheduling a delicate balance – losing a couple months to paperwork delays can mean losing an entire year for project implementation.

### *Improvements*

In 2024, the River Stewardship Program will begin receiving annual distributions of approximately \$1.25 million from the Land of Enchantment Legacy Fund in addition to annual Legislative capital outlay appropriations to the program. Increased funding directly translates into more on-the-ground restoration, greater funding stability for cooperators to rely on for long-term river, riparian, and wetland improvement project planning, and a larger pool of cooperators willing and able to plan, design, and implement these essential projects for climate change mitigation.





# OUTDOOR RECREATION DIVISION / ECONOMIC DEVELOPMENT DEPARTMENT EXISTING PROGRAM REVIEW

Executive Order 2021-052 called for review of existing authorities, funding and programs to support and implement programs designed to conserve, protect, and enhance lands and natural environments across the State, and identification of state legislative and policy changes to enhance the tools and programs available for state level conservation and outdoor recreation efforts.

The New Mexico Outdoor Recreation Division (ORD) of the Economic Development Department (EDD) has two existing programs that contribute to the state's 30 by 30 goals. These are the Outdoor Equity Fund and Outdoor Recreation Trails+ Grant programs.

Following is an assessment of each program's effectiveness, gaps, and opportunities for improvement. Summary information about each program is contained in Appendix B. Program Details in the 30 by 30 New Mexico 2023 Annual Report.

## OUTDOOR EQUITY FUND PROGRAM

### *Effectiveness*

The Outdoor Equity Fund (OEF) stands as a beacon of opportunity, designed to ensure that all youth, especially those from marginalized communities, can embrace the wonders of the outdoors. This initiative extends its reach to provide transformative experiences that instill in young minds the values of stewardship and reverence for the diverse landscapes, waters, and cultural tapestry of New Mexico.

Through state and federal resources, OEF has disbursed nearly \$6 million across 245 programs, enriching the lives of over 72,000 young New Mexicans since its inception in FY21. These programs serve as gateways, opening doors to the natural world and empowering youth with skills and appreciation that will last a lifetime.

Beginning in FY25, OEF will gain even more traction with a yearly dedicated funding source from the Land of Enchantment Legacy Fund, marking a pivotal step towards sustained support and enduring impact.

### *Gaps*

The recurring fund size of the Legacy Fund distribution falls short of meeting the burgeoning demand. In FY24, OEF awarded \$3.7 million within the first seven months of the fiscal year to 113 programs, with a noteworthy 59% of these programs being newly granted. As news spreads about this effective funding avenue dedicated to youth outdoor engagement, an array of organizations—from rural and tribal communities to specialized programs—increasingly seek support, amplifying the need for assistance.

Although the Legacy Fund commits \$500k annually to OEF for the first five years, data suggests that ORD could feasibly grant at least five times that amount per year.





# OUTDOOR RECREATION DIVISION / ECONOMIC DEVELOPMENT DEPARTMENT EXISTING PROGRAM REVIEW

## *Improvements*

- **Augmenting Land of Enchantment Legacy Fund Allocation:** Increasing the distribution of the Legacy Fund for OEF to align with the expanding needs of youth programming statewide. This ensures equitable access to outdoor experiences for all young individuals.
- **Conducting Economic Feasibility Studies:** Allocating funds for comprehensive economic feasibility studies on OEF-funded programs to ascertain their broader impacts. This includes analyzing their contributions to the outdoor recreation industry, employment generation, promotion of stewardship, equity enhancement, economic support, health and well-being promotion, and the advantages of nature-focused outdoor learning programs. Such studies delve deeply into the multifaceted benefits of outdoor engagement, including personal and social development, well-being, and academic progress.
- **Identifying Exemplary Programs for Replication:** Identifying and showcasing successful programs funded by OEF to serve as models for replication across other parts of the state. This facilitates the dissemination of best practices and ensures the effective utilization of resources in fostering equitable outdoor access and engagement. These selected programs would have a proven track record in contributing to the outdoor recreation economy and play a pivotal role in educating youth about the traditional ways of life, conservation, and stewardship and providing outdoor opportunities that promote health and wellbeing.

## TRAILS+ GRANT PROGRAM

### *Effectiveness*

The Outdoor Recreation Trails+ Grant stands as a pivotal funding source, essential for the design and construction of trails and various access projects that foster community connectivity and expand trail networks throughout New Mexico. Eligible applicants are provided with funding to develop and construct outdoor recreation infrastructure, strategically focusing on promoting long-term economic growth and public health benefits.

Whether it involves the establishment of trails, river parks, wildlife viewing areas, or other amenities, these initiatives play a significant role in driving economic development, prosperity, and overall wellness within communities.

By emphasizing shovel-ready projects, the grant ensures prompt and direct enhancements to outdoor access, thereby magnifying the positive impact on both residents and visitors.

In the first seven months of FY24 alone, the Trails+ Grant program has allocated over \$7.6 million in funds to 57 projects across New Mexico, further demonstrating its commitment to fostering outdoor engagement and community development.





# OUTDOOR RECREATION DIVISION / ECONOMIC DEVELOPMENT DEPARTMENT EXISTING PROGRAM REVIEW



## **Gaps**

**Reporting Requirements Burden:** Meeting the extensive reporting requirements mandated by federal funding entails significant staff time, exacerbating ORD's capacity gap in handling state, federal, and departmental reporting obligations.

**Organizational and Administrative Capacity Constraints in Local Entities:** Local municipalities, tribal governments, and nonprofits face substantial capacity gaps in personnel, grant writing, administration, and project completion staff. Despite a robust demand for funding outdoor recreation projects, the lack of adequate staffing presents a significant obstacle. There is a notable deficiency in administrative capacity, particularly when working with local municipalities that often lack resources to apply for funding and administer grant programs.

## **Improvements**

ORD will seek a full-time grant administrator position to bolster the program's administrative capacity and meet the reporting requirements more efficiently.

Additionally, ORD is conducting a comprehensive review of the grant requirements, incorporating feedback from previous grantees and stakeholders. This collaborative effort aims to enhance the distribution of grant funds most effectively, considering the existing capacity gaps.



# NEW MEXICO STATE LAND OFFICE EXISTING PROGRAM REVIEW

## LAND OFFICE BACKGROUND

State trust lands are an often-misunderstood category of public land ownership in the West. Congress granted these lands to states upon their entrance into the Union to provide support for essential public institutions. As such, in the West, state trust lands are used primarily for generating revenue, and unlike many federal lands, do not have an explicit protection/conservation mandate. State trust lands do, however, represent significant land areas with critical conservation potential. Charged with managing over nine million surface acres and thirteen million mineral acres in a vast checkerboard across the state of New Mexico, the New Mexico State Land Office (NMSLO) generates over two billion dollars each year to support public schools, universities and hospitals, while also assuring the health of state trust land for the benefit of future generations. The agency leases lands for a broad array of activities, including agriculture, energy production and economic development, and strives to incorporate appropriate conservation protections as part of this process.

## NMSLO CONSERVATION PRINCIPLES

The NMSLO has several opportunity-constraints when it comes to conservation. The agency has a mandate enshrined in federal law to generate revenue, and NMSLO lands are widely distributed across the state, broadly interspersed with other land ownership. This means that NMSLO conservation efforts need to be monetized at some level, and that in order to accomplish work on a landscape scale we need to collaborate with surrounding landowners. Watersheds and wildlife do not know political boundaries. However, the NMSLO can be extremely flexible in its leasing instruments both in terms of requiring certain activities, prohibiting others, and in terms of time scale. We also have the distinct advantage that we earn all our own operating funds, so that any work we contribute to conservation can serve as state match for federal grant funds. As such, we can play a pivotal role in leveraging landscape scale work that involves multiple stakeholders and jurisdictions. In fact, we believe that collaborative, community driven conservation is actually more sustainable and more ecologically sound than other top-down approaches. This is particularly true when economic factors are considered. When conservation is woven into the vital economic fabric and well-being of communities, everyone thrives.

In New Mexico, we are blessed with a rich culture of community stewardship. NMSLO believes that conservation flows from the cultivation of community and depends intrinsically on relationship building between peoples, cultures, landscape, and the natural environment. Any sustainable conservation effort must be rooted in community and place. It is our goal to advance inclusive, community-led conservation outcomes. NMSLO adheres to five core principles: respect for tribal sovereignty and traditional communities, respect for private property rights, the need to adapt to a changing climate, the critical importance of working lands, and the benefits of collaboration.

The NMSLO has eight existing programs that contribute to the state's 30 by 30 goals. These are the Agricultural Leasing Program, the Land Restoration Program, the Cultural Resources Office, the Environmental Compliance Office, the Conservation Leasing Program, the Outdoor Recreation Program, the Landscape Scale Planning Program and the Land Exchange Program.

Following is an assessment of each program's effectiveness, gaps, and opportunities for improvement. Summary information about each program is contained in Appendix B. Program Details in the 30 by 30 New Mexico 2023 Annual Report.



# NEW MEXICO STATE LAND OFFICE EXISTING PROGRAM REVIEW

## AGRICULTURAL LEASING PROGRAM

### *Effectiveness*

State trust land may be leased for agricultural uses including ranching or farming activities. Lessee's responsibilities include protecting lands against waste and trespass, as well as stewardship of rangelands to maintain healthy and productive lands. About 90% of state trust surface lands are leased to the agricultural community; agricultural leases provide significant opportunities for partnerships with lessees and other entities seeking to advance conservation objectives through collaborative stewardship.

For example, 3,000 acres of state trust land (six agricultural lessees) are enrolled in a study to measure soil Carbon sequestration over a three-year period based on regenerative agricultural practices.

Many agricultural lessees have participated in landscape scale grassland habitat restoration in collaboration with the NMSLO and partners through treatment of mesquite and creosote, prescribed burning and noxious weed treatments.

The vast majority of agricultural lands are open and accessible to recreational access users with the appropriate permit.

### *Gaps*

The NMSLO agricultural leasing rule includes an incentive program for range stewardship that is not being used and needs to be updated to better reflect agency conservation objectives and the needs of the agricultural community.

Many agricultural leases do not currently contain language consenting to compatible conservation uses or to terms allowing for or describing the parameters of participation in ecosystem service or carbon credit markets.

### *Improvements*

- The agricultural leasing rule should be revised to improve the Range Stewardship Incentive Program and to include standard language establishing a framework for compatible conservation uses and participation in ecosystem service credit markets.
- The NMSLO will continue to strengthen trainings and other outreach efforts to raise awareness of collaborative conservation opportunities.

## LAND RESTORATION PROGRAM

### *Effectiveness*

The NMSLO directly spends an average of \$1.6 million annually on restoration and remediation projects on state trust lands. In addition, through Memoranda of Understanding, grants, improvement applications and other agreements, external partners, including state and federal agencies, soil and water conservation districts and lessees, allocate many millions of dollars more each year for work on state trust lands. Projects emphasize work in priority landscapes and where clear needs have been identified internally or by partners. Collaboration across boundaries and with NGOs, non-profits, and other community groups has been key to success. The program aims to leverage resources to remediate lands impacted by hazardous materials and restore and protect ecosystem services including but not limited to: water quality and quantity, fuelwood, soil health, biodiversity, wildfire and flood regulation, and cultural services.



# NEW MEXICO STATE LAND OFFICE EXISTING PROGRAM REVIEW

From 2016, when comprehensive tracking began, to 2023 (fiscal years), NMSLO completed projects on 213,120 acres of state trust land, an average of 26,640 acres per year. This figure does not include externally funded partner projects. Approximately 79% (169,126 ac) of these acres were treated acres, with project types including forest thinning and wildfire risk reduction, grassland restoration, prescribed fire, erosion control, illegal dumping cleanup, oil and gas remediation and reclamation, and mine reclamation. Projects such as those for rare plant surveys, reclamation plans, outreach, archaeological surveys, and others made up the remainder. Since FY 2018, these planning and clearance projects have become a stronger component of our program's portfolio. In FY 2016, there was one archeological survey of 480 acres, but there were no surveys completed in FY 2017 or 2018. Since then, planning and clearance projects have increased from 2,852 acres in FY 2019 to 22,197 acres in FY 2023.

From 2016 to 2023 (fiscal years), NMSLO spent over \$12.8 million on Land Restoration Program projects. Approximately 85% (approx. \$10.9 million) of spending went towards treatments, with the remainder spent on planning and clearance work. While acres of planning and clearance work have risen since FY 2018 with a high in FY 2023, the planning and clearance cost per acre is decreasing, as total planning and clearance spending was low in FY23 at just under \$274,000.

The broadest impact to the health of state trust land is reflected in the efforts the NMSLO is making to work closely with partners and lessees in industry and agriculture toward improved management and stewardship. New compliance and enforcement programs such as the Cultural Resources Office (CRO) and Cultural Properties Protection Rule, the Environmental Compliance Office (ECO) and the development of biological review standards and best management practices, as well as collaborative partnerships that leverage grant funds and federal dollars with organizations such as the New Mexico Association of Conservation Districts, the Playa Lakes Joint Venture, the Western Landowners Alliance, the Soil and Water Conservation Districts, and New Mexico Department of Game and Fish, have all had a significant impact on the health of state trust lands.

## **Gaps**

Since 2019, NMSLO has invested heavily in hiring additional personnel and establishing a more focused approach to restoring and maintaining healthy lands. Nonetheless, considering that the NMSLO is charged with managing 13 million acres in every county in the state, the program still lacks the required capacity to manage projects, conduct outreach to lessees, and perform monitoring at the scale needed across millions of acres. This results in lost opportunities to mitigate fire risk, remove invasive species, protect T&E and sensitive species, build climate resilience and adaptability, encourage and facilitate adaptive management of rangelands, and respond to time-sensitive environmental issues that arise from use of state trust land.

There is a need for more contractors across project types including but not limited to forest thinning (especially in some areas of the state), erosion control and stream restoration, and surveys (drone-based, rare plant, wildlife).

To address resources limitations, NMSLO needs to be able to accept and manage federal funding to be able to leverage available grants.

## **Improvements**

Increased focus on facilitating projects that restore, and lead to better management of, state trust land – in contrast to doing work in-house or only with state, federal, or NGO partners.



# NEW MEXICO STATE LAND OFFICE EXISTING PROGRAM REVIEW

NMSLO is working to improve our communication with state trust land stewards: our lessees. We need to leverage their eyes and ears on-the-ground to help with prioritization of projects and monitoring of ecosystem health.

NMSLO is building towards better monitoring, both on-the-ground and via remote sensing, to better prioritize rangeland health efforts.

NMSLO is working to increase the number of agreements with Soil and Water Conservation Districts and other groups that increase efficiency and effectiveness of restoration work on state trust lands.

NMSLO recently secured an additional position to help apply for and manage grants, as well as better leverage partnerships on state trust lands.

## CULTURAL RESOURCES OFFICE

### *Effectiveness*

The NMSLO now has a stand-alone Cultural Resources Office under an Assistant Commissioner of Cultural Resources, with a Director and three full-time archaeologists who oversee the following programs:

**Compliance Review:** In December, 2022, the NMSLO enacted its first ever Cultural Properties Protection Rule (19.2.24 NMAC). The new rule requires that a cultural resource survey be conducted prior to any surface disturbing activity on NMSLO surface estate. This program also conducts audits of mitigation measures and requests archaeological damage assessments to evaluate potential adverse effects.

**Consultation:** The NMSLO is committed to stewarding cultural resources in a way that honors Tribes, Pueblos, Nations and descendant communities who are culturally connected to these resources. Staff consult on upcoming projects and policy development, develop MOUs, and plan to add a new FTE in FY25 to focus on Tribal and Federal consultations.

**Fieldwork:** The NMSLO's Cultural Resources Office is staffed by qualified archaeologists and historians who actively conduct fieldwork to identify and protect cultural resources on State Trust Land. The CRO also oversees the contracting of thousands of acres of cultural resource surveys through the competitive bid process.

**Outreach and Education:** The NMSLO CRO develops public presentations and curriculum to educate beneficiaries, New Mexico residents, and lessees about the cultural significance of resources on State Trust Land. Partnering with schools, local non-profits, and recreation programs the NMSLO CRO aims not only to protect but also to share New Mexico history across the state.

### *Gaps*

Only approximately 7% of NMSLO State Trust Land surface estate has been surveyed for cultural resources, and limited funds are available to increase this by the agency. Fortunately, applicants and lessees are required to fund their own surveys prior to surface disturbance.

There is no mechanism in the state system to document Traditional Cultural Places or Traditional Ecological Knowledge which may not have a physical presence on the ground and may not be identifiable by people not culturally connected to the landscape.



# NEW MEXICO STATE LAND OFFICE EXISTING PROGRAM REVIEW

This sensitive and often sacred information is currently subject to IPRA if collected and maintained by any state agency. IPRA must be amended to exclude culturally sensitive information.

## **Improvements**

- The NMSLO is working to develop consultation MOUs specific to the Tribes, Pueblos, and Nations that have cultural connections to State Trust Land.
- The CRO is partnering with universities and nonprofits to increase the surveyed space on State Trust Lands and train a future generation in cultural resource compliance in real-world cases.
- The NMSLO is working with other state agencies to update and develop policies to improve the gaps mentioned above.
- The NMSLO plans to add a new FTE to focus on consultations enhancing Tribes' abilities to influence development on State Trust Land to avoid damage to cultural resources.

## **ENVIRONMENTAL COMPLIANCE OFFICE**

### **Effectiveness**

Under the Accountability and Enforcement Program, the NMSLO began taking legal action against lessees that were out of compliance with lease terms or NMSLO rules related to oil and gas production, lease assignments, remediation and reclamation in October of 2020. These efforts help ensure that the cost of cleaning up state trust lands are carried by responsible parties. In addition, the NMSLO established its first-ever Environmental Compliance Office (ECO) in September of 2022, which added significant internal capacity in managing remediation and reclamation efforts. Since October of 2020, the NMSLO has overseen the plugging of 425 oil and gas wells. Working closely with the Office of General Counsel, ECO's staff of three remediation specialists and one administrative assistant has reviewed and approved 84 remediation workplans, 84 reclamation workplans and 123 successful remediation projects. ECO is currently overseeing 505 clean up and oil and gas release projects. 161 of these are related to Legal enforcement actions.

ECO has developed Standard Operating Procedures for Reporting to the NMSLO and Guidelines for Compliance with NMSLO Remediation and Reclamation Rules and Procedures and has met formally with more than 50 oil and gas companies to help bring lessees and operators into compliance. ECO is working on outreach on a weekly basis to introduce themselves to oil and gas lessees, participate in NMOGA meetings and to coordinate closely with NMOCD to heighten industry compliance.

### **Gaps**

NMSLO Rule 19.2.100.66 related to Surface Operations on State Oil and Gas Leases, and Rule 19.2.100.67 related to Surface Reclamation on State Oil and Gas Leases have not been revised since 2002 and should be clarified to comport with current NMOCD remediation and reclamation rules and current best management practices. Also, NMSLO Rule 19.2.20 relating to Construction, Maintenance and Reclamation of Roads has not been revised since 2002 and is equally out of date with current best management practices.

When there is no principal responsible party, bonding is inadequate to pay for most standard oil and gas well plugging and abandoning projects, or for most remediation and reclamation projects. This leaves the NMSLO with billions of dollars of potential legacy liability for cleanup activities statewide.

### **Improvements**

NMSLO rules related to oil and gas operations, remediation and reclamation, and related to road construction maintenance and reclamation should be revised and updated.



# NEW MEXICO STATE LAND OFFICE EXISTING PROGRAM REVIEW

NMSLO is working to increase bonding for reclamation and remediation to levels appropriate to cover the associated risks of the activity.

## CONSERVATION LEASING PROGRAM

### *Effectiveness*

The NMSLO provides a wide variety of leasing opportunities on state trust land, not only for extractive uses but also for stewardship and conservation. NMSLO leasing rules create flexible instruments that may include both prescriptive management practices and/or proscriptions against specific types of activities. Leasing instruments may be used: to establish municipal, county or state parks or recreation areas or recreational access; to protect critical habitat, wildlife or conservation corridors; to mitigate damages; to protect critical ecosystem services; for study or research; or to restore or remediate degraded habitat. In addition, the NMSLO is able to restrict certain activities on either the surface or mineral estate. These restrictions, known as Land Use Restriction or Conditions (LURCs), may be used to withdraw land from a specified activity, such as mining or commercial development, or to protect broader landscapes. However, to meet its legal obligation to generate income for trust beneficiaries, these restrictions require that compensation be provided in an amount that corresponds to the value of the resource being restricted. In combination, LURCs and leases can be used to protect, conserve or restore state trust lands in accordance with the terms of the agreements.

NMSLO is actively developing new conservation leases that allow for participation in ecosystem service or carbon credit markets through stewardship practices, that allow for restoration and protection of riparian or wildlife corridors, that provide access for recreation, and that protect critical plant or wildlife habitat through direct leasing or mitigation banking. We are also developing leases for parks and recreation and for recreational access to open space.

Currently the NMSLO manages more than 50 active leases for a variety of conservation purposes encompassing more than 89,000 acres.

NMSLO is actively inventorying state trust lands with conservation potential and is working toward establishing a conservation leasing rule.

### *Gaps*

Although the NMSLO has leasing rules for many purposes it does not currently have a rule dedicated to Conservation Leasing. This means that although the NMSLO has many leases that have as their primary purpose some form of conservation, the leases themselves are not standardized (some are agricultural leases, some are commercial leases, some are rights of way). As a result, conservation leasing has been inconsistent, and the quality of the conservation purposes is variable. The lack of a rule also means that some lease requirements normally suited for other purposes do not necessarily fit for conservation lessees. For example, duration restrictions, bonding requirements, appraisal requirements, pricing and measures of success are inconsistent across current conservation leases.

In addition, combining prescriptive and proscriptive activities in the same lease is sometimes complicated, and sometimes requires multiple instruments to achieve the desired objective. The conservation leasing process is not yet streamlined and favors applicants with time, means, and with practice engaging with NMSLO leasing processes.

There is limited public awareness of this program.



# NEW MEXICO STATE LAND OFFICE EXISTING PROGRAM REVIEW

## *Improvements*

- The NMSLO is working to adopt a conservation leasing rule. A dedicated rule would explicitly define appropriate conservation purposes, establish an approach to fees, and provide a standardized mechanism for review, assessment and renewal. It would also streamline and simplify the process so that a single instrument could be used to accomplish a conservation purpose.
- One of the key elements for developing a conservation leasing program will be to build relationships with third-party partners who have the expertise to implement and oversee conservation activities. Given millions of acres of land NMSLO controls, the NMSLO cannot directly manage all the on-the-ground activities that could constitute conservation, including recreational access, habitat restoration, mitigation banking, or engagement in ecosystem service markets. However, by working with entities that are capable of managing these activities through leases, the NMSLO can leverage considerable resources. To build a robust conservation leasing program, the NMSLO will need to identify, cultivate and partner with third party experts both on the implementation and the funding side of conservation.

## OUTDOOR RECREATION PROGRAM

### *Effectiveness*

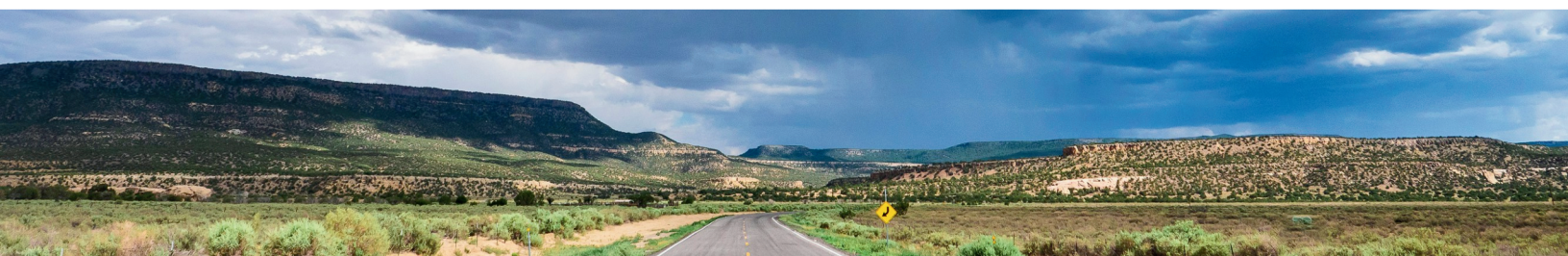
The NMSLO Outdoor Recreation Program (ORP) was created in 2019 in order to protect, promote and develop high-quality outdoor recreation opportunities on state trust lands while diversifying revenue for our beneficiaries. NMSLO ORP is working to develop and promote creative partnerships and strategies to increase access to outdoor recreation, conservation and education opportunities for meaningful outdoor experiences across state trust land. The NMSLO ORP is currently working on several hiking and non-motorized vehicle trail projects, increasing dispersed camping in designated landscapes, a frisbee golf course, developing opportunities for wildlife viewing and many other outdoor recreational access projects.

### *Gaps*

There is limited public awareness of the program and the broad accessibility of state trust lands to recreational users. In general, the public is unaware of the requirement for a Recreation Access Permit for individuals who would like to recreate on state trust land, and the location of state trust lands across the state is not widely known.

### *Improvements*

- Improved coordination with agencies and partners to provide access to state trust lands for recreation.
- Enhanced education and awareness of the opportunities for outdoor recreation on state trust lands and the requirements to do so.
- Revisions to the recreational access permit process to include other approved recreational activities on state trust land.





# NEW MEXICO STATE LAND OFFICE EXISTING PROGRAM REVIEW

## LANDSCAPE SCALE PLANNING PROGRAM

### *Effectiveness*

The NMSLO hired its first ever Planner in October 2020 with the intention of institutionalizing landscape level planning to achieve better conservation outcomes and to optimize the location of revenue generating activities on state trust land. Initial efforts have focused on the development of a management plan for the White Peak region, alternative leasing strategies for conservation and protection of wildlife corridors.

Future work will expand the focus on developing regional plans that incorporate both development opportunities and maintain protections of natural resources. NMSLO will continue work on the White Peak landscape and add the I-10 corridor for wind and solar. The Planner will also continue developing the conservation leasing program.

### *Gaps*

State trust land is a vast checkerboard across the state. Landscape level planning requires building partnerships with adjacent landowners to share data, to leverage funding, and to align goals. It requires substantial coordination and significant effort gathering information from communities, scientists and developers. Also, the NMSLO has traditionally lacked a formal planning framework on the landscape level. As such we are developing planning models from scratch and working on pilot projects to develop processes for instituting larger scale planning.

Historically, applications for development and use of state trust lands have been reviewed on a one-by-one basis, which has not reflected an adequate assessment of the implications to the broader landscape, wildlife and other existing and potential uses.

### *Improvements*

- Develop classes of landscapes, or designations, based on biological, community or conservation concerns that would require a kind of cumulative impact analysis or an approach to approving leases that would account for values other than immediate profit or land availability.
- Understand where conservation activities would be the most effective.
- Adopt standards for conducting biological due diligence for all ground disturbing activities.
- Adopt requirements that project applications be presented as single whole projects rather than as multiple individualized lease applications.
- Identify mechanisms for gathering baseline biological and community impact information for use in regional planning efforts.
- Develop strategies for regional planning efforts.





# NEW MEXICO STATE LAND OFFICE EXISTING PROGRAM REVIEW

## THE LAND EXCHANGE PROGRAM

### *Effectiveness*

The NMSLO may exchange land with U.S. Department of Interior land management agencies to meet mutually agreeable goals. For example, state trust land within or adjacent to federally designated national monuments and wilderness areas is often suitable for exchange for federal lands with more commercial potential. Land exchanges can also improve each respective entity's ability to manage areas through more consolidated and coordinated practices, including habitat and conservation efforts. For example, the NMSLO and BLM are currently working on a land exchange to trade NMSLO property within the Organ Mountains Desert Peaks National Monument to the BLM in exchange for potential commercial lands outside the Monument. These types of efforts ultimately resulting in thousands of acres of additional lands within New Mexico being conserved while also allowing the NMSLO to acquire lands more suitable for revenue generation.

### *Gaps*

Land Exchanges are time-consuming, costly and require extensive planning and research by both the NMSLO and the exchanging party and they involve multiple regulatory hurdles to complete.

### *Improvements*

- To be able to effectively take advantage of exchange opportunities with U.S. Department of Interior agencies, the exchange process needs to be adequately funded and staffed on the federal level.
- NMSLO can proactively work with external parties to identify state trust lands that have conservation needs that would be more suitable for federal management.





# INDIAN AFFAIRS DEPARTMENT EXISTING PROGRAM REVIEW

Executive Order (EO) 2021-052 called for review of existing authorities, funding and programs to support and implement programs designed to conserve, protect, and enhance lands and natural environments across the State, and identification of state legislative and policy changes to enhance the tools and programs available for state level conservation and outdoor recreation efforts.

The EO does not bind Nations, Pueblos and Tribes. However, the EO may provide avenues for new opportunities to protect traditional cultural properties in New Mexico and support tribal stewardship of these lands. Additionally, there may be opportunities to improve programs and projects to the benefit of tribes related to conservation or restoration projects under existing programs. With tribal input the committee will make recommendations on how to improve both access and program utilization to better support tribal conservation projects and initiatives.

The New Mexico Indian Affairs Department (IAD) is a partner state agency that contributes to the state's 30 by 30 goals by representing tribal interests and facilitating consultation, collaboration, and other outreach. In 2022, IAD's Tribal Environmental Justice Specialist (TEJS) position was created and the position was filled in June of 2023. One of the duties of this position is to serve as the Secretary's Designee on the 30 by 30 Committee. To this end the TEJS has been an active participant in reviewing the work products for effects positive and negative to the Nations, Pueblos, and Tribes. As well as attending all meetings and providing input as necessary. IAD's TEJS also keeps the IAD leadership informed regarding any impact to or information needed for dissemination to Nations, Pueblos, and Tribes regarding the state's 30 by 30 goals.

Below is an assessment of IAD's foreseeable effectiveness, gaps, and opportunities for improvement.

## **Effectiveness**

IAD shall be highly effective at coordinating Tribal outreach and communicating Tribal concerns to the Committee.

IAD shall be highly effective at communicating possible benefits to the Tribes, as well as any unhelpful or detrimental aspects.

## **Gaps**

IAD has a single FTE for all environmental, energy, climate, and natural and cultural resource projects. Time and effort for the 30 by 30 Initiative may at times be limited as a result.

## **Improvements**

The Tribal Environmental Justice Specialist position is less than a year old, thus the foreseeable future should be a time of continuing improvement, as familiarity with the 30 by 30 Initiative and possible benefits to New Mexico's Nations, Pueblos and Tribes grows.





# Land of Enchantment Legacy Highlights

In 2023, the New Mexico Legislature fully funded the Land of Enchantment Legacy (LOE) permanent fund, providing stability to state agency programs that contribute to 30 by 30 goals and objectives. The following highlights describe early successes related to this new funding which are contributing to 30 by 30 objectives.

EMNRD Forestry Division released the first-ever request for proposals for the Natural Heritage Conservation Act (NHCA) in the Spring of 2024, with \$1.4 million available to fund conservation easement, agricultural easement, or restoration projects beginning in July 2024. This is the first time NHCA has received regular state appropriations, providing new opportunities to match federal grants available for New Mexico landowners participating in voluntary conservation easement projects.

NMDA and EMNRD Forestry Division are working on a pilot project with Sierra Soil and Water Conservation District that connects NMDA LOE funds as state match for Invasive Plant Program grants funded by the US Forest Service and administered by EMNRD Forestry Division. As a result, Sierra SWCD will have more funds available to identify areas of concern and treat noxious weeds on private and federal lands in Sierra, Socorro, Catron, and Dona Ana Counties.





# Next Steps

The 30 by 30 Committee focus in FY25 will be on leveraging existing programs and authorities to maximize conservation values regardless of land protection status. The Committee recognizes that the land conditions change over time and environmental factors such as drought or flooding can bring about significant modifications. Conservation needs are ongoing and the task ahead is to continue improving the existing programs and authorities to conserve New Mexico's environmental assets for future generations.

These next steps acknowledge that the goal of conserving 30 percent of New Mexico's lands by 2030 has been met, and the state's challenge in protecting conservation values for New Mexicans is not expanding lands under the recommended definition but preserving the resource values and public benefits of existing lands under differing levels of protection.

1. Address the recommended improvements to agency programs.
2. Continue monitoring the federal America the Beautiful initiative and apply for funding when federal programs align with New Mexico conservation needs.