



SECURE OUR LEGACY

Invest in the Land of Enchantment Legacy Fund: For Our Land, Water, Economy & Culture



Overview

Last session, the governor, bipartisan legislators and a broad coalition came together to pass SB9 and create the state's first-ever funding stream for land and water conservation: the Land of Enchantment of Legacy Fund. This historic investment can leverage millions of federal dollars, create jobs and build critical infrastructure in local communities to better protect us from wildfire, flood and drought, safeguard our water supplies, preserve our agricultural heritage, and grow our outdoor recreation economy.

Problem & Opportunity

Initial seed money was invested, but not enough to ensure a sustainable funding source or meet the demand from all New Mexico communities. This session, the governor and legislators have the opportunity to secure our legacy by prioritizing budget surplus dollars and maximizing investments in the Land of Enchantment Legacy Fund.

2024 LEGISLATIVE REQUEST

At least **\$350 million** is needed to ensure the Land of Enchantment Legacy Fund can...



Produce enough annual returns to be self-sustaining and weather economic downturns



Access federal matching dollars - through programs that have upcoming deadlines



Meet the demand from and ensure stable funding for all 33 counties and Tribal communities

EnchantmentFund.org

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HOW THE FUND WORKS

The Land of Enchantment Legacy Fund is made up of two investment strategies:

An Expendable Fund will make annual disbursements beginning July 1, 2024 to existing state programs that are shovel-ready, have a proven track record of success, are popular in communities, or have rarely been funded to their full potential. In the 2023 session, the legislature appropriated \$50 million for the Expendable Fund.

An Investment Fund managed by the State Investment Council, similar to the Early Childhood Education and Care Fund. Interest earned would be disbursed to state programs once the balance reaches a certain investment level. In the 2023 session, the legislature appropriated \$50 million in initial seed money for the Investment Fund.

Investment Fund Forecast

LFC RECOMMENDATION

Appropriation Level	\$50 Million (Current Balance)	+\$100 Million in FY25	+\$250 Million in FY25	+\$300 Million in FY25
Permanent/ Investment Fund & Ending Balance	\$50 Million 	\$150 Million 	\$300 Million 	\$350 Million 
Protection from Market Volatility; Timeline to Trigger Interest Distribution	✗ No protection from market volatility; 18 year delay for interest distribution	✗ No protection from market volatility; several year delay for interest distribution	⚡ Some protection from market volatility	✓ Highest protection from market volatility
Is It Enough to Sustain Current Funding Levels?	✗ Insufficient to sustain current funding levels	✗ Insufficient to sustain current funding levels	✓ Would meet & exceed current funding levels beginning in FY31	✓ Would meet & exceed current funding levels beginning in FY29
Potential Funding Gaps	✗ Creates a funding gap + no funding for communities beginning in FY29	✗ Creates a 10-year funding gap for communities	✓ No funding gaps for communities	✓ No funding gaps for communities
Increase to Annual Funding	✗ Would not increase annual funding to communities	✗ Would not increase annual funding to communities	✓ Doubles annual funding for communities in 20 years	✓ Doubles annual funding for communities in 12 years
Ending Balance by FY50	\$212 Million	\$300 Million	\$460 Million	\$513 Million

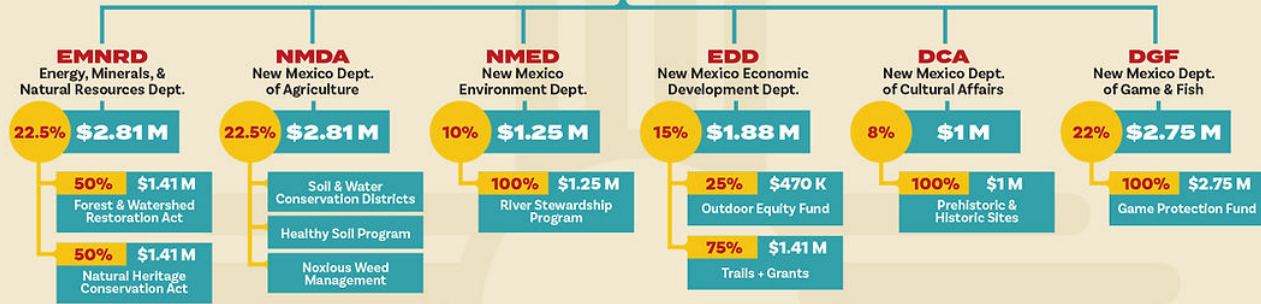
Supported by a Broad, Bipartisan Coalition



LAND OF ENCHANTMENT LEGACY FUND

Expendable Fund: \$50 Million over 4 years

FY 25 \$12.5 Million



AGENCY

PROGRAM

PURPOSE

ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

Natural Heritage Conservation Act

Conserve and restore open space, private working lands, cultural sites and wildlife habitat; leverage federal LWCF dollars

Forest and Watershed Restoration Act; Forest Conservation Act and Prescribed Burning Act

Protect community water supplies; help communities restore forest and watershed health to guard against and recover from the effects of wildfire, flood and drought

DEPARTMENT OF AGRICULTURE

Healthy Soils Act

Promote farming/ranching practices that improve soil health, including for acequia communities

Soil and Water Conservation Districts

Improve grassland and rangeland ecosystems, leverage federal Farm Bill dollars; support farmers, ranchers, and working lands; also supports acequia restoration projects

Noxious Weeds Management Act

Coordinate weed management best practices among local, state, and federal land managers, as well as private landowners

DEPARTMENT OF GAME AND FISH

Game & Fish Outdoor Recreation Act/ Wildlife Conservation Act

Conserve species of wildlife that are threatened, endangered, or in decline and sustainably manage the state's game species

ECONOMIC DEVELOPMENT DEPARTMENT

Outdoor Equity Fund

Get underserved NM youth outside to connect with the land; teach them how to hunt, fish, camp, and overall foster land and water stewardship to help pass down cultural legacies

Outdoor Recreation Trails+ Grant

Fund infrastructure projects to improve NM's hiking/biking/walking/horseback riding trails, parks/river systems; improve visitor experience to residents & tourists

ENVIRONMENT DEPARTMENT

River Stewardship Program

Keep NM rivers safe and healthy by improving water quality and restoring riparian habitat

DEPARTMENT OF CULTURAL AFFAIRS

Prehistoric & Historic Sites Preservation Act

Fund public-private partnerships to preserve prehistoric and historic sites in NM communities