

# Agency Range Program Comparisons

## New Mexico State Land Office



## Bureau of Land Management



### Agricultural Lease or Permit

Authorizes, through an agricultural lease, the right to use state land for the purpose of livestock grazing, crop production, and other soil products as specified in the lease.

It may be subject to such other rights and uses as the NMSLO may authorize.

Authorizes grazing by permit for public lands within grazing district boundaries or by lease for those public lands outside of grazing districts. Upon exchange, BLM would issue a grazing permit or lease recognizing the change to permitted use and percentage of public land.

### Base Property

Does not have a base property requirement.

Has a base property requirement for grazing permittees and lessees. A grazing preference has priority for receiving a grazing permit or lease. This priority is attached to base property owned or controlled by the permittee or lessee.

### Collateral

Allows the lessee rancher to use the lease as collateral with a lending institution. A collateral assignment requires the written consent of the NMSLO and payment of the associated collateral assignment filing fee.

Allows a holder of A BLM grazing permit or lease to use that permit or lease as collateral with a lending institution.

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### Grazing Capacity & Permitted Use

Establishes grazing capacities for each land parcel. The established carrying capacity is used in a formula to determine the annual rental rates for the lease in the absence of competitive bidding.

The NMSLO grazing capacities are based on the average annual stocking capacity that a parcel can support and are often incorporated into the permitted use for BLM allotments that include state lands.

The BLM sets permitted use for those allotments within grazing districts where grazing is authorized via permit, which would include state or other land ownerships. For allotments outside the grazing districts, BLM determines permitted use only for federal public land parcels.

### Fees Due for the Lease or Permit

Determines rent annually using a formula which fluctuates based on economic variables reported by the USDA. According to 19.2.8.11 N.M.A.C., The annual rental for grazing land is determined by this formula:  $\$0.0474 \text{ (Base Value)} \times \text{Carrying Capacity (CC)} \times \text{Acreage} \times \text{Economic Variable Index (EVI)}$

The NMSLO current rent is equivalent to \$4.47 per AUM or \$0.84/acre.

The BLM issues bills for permitted grazing use on an animal unit month basis. An animal unit month (AUM) is the amount of forage necessary for one cow or its equivalent for a period of one month.

The BLM fees are based on the Public Rangeland Improvement Act of 1978. The current fee for BLM is \$1.35 per AUM

### Subleases/Pasturing Agreements

Requires prior written consent of the NMSLO. An agricultural sublease is a transaction or arrangement whereby a lessee grants another the rights or interests conveyed to the lessee by an agricultural lease. A sublease cannot extend beyond the expiration of the lease and may sublease all or a portion of the lease.

The surcharge for a NMSLO sublease is 20% of the annual lease rental rate payable annually.

A **base lease** is when an individual, partnership, corporation, etc. leases the base property for the purpose of grazing. If the base lease is approved by BLM the lessee becomes the operator of record and is responsible for management of the allotment including paying the grazing bills, maintaining range improvements, etc. for the term of the lease. The minimum base lease is 3 years.

A **pasture agreement** documents grazing of livestock not owned by the operator of record for a BLM allotment. BLM must approve a pasture agreement prior to any grazing use under the agreement. A surcharge is added, for the authorized pasturing of livestock, that is over and above any other fees that may be charged for using public land forage. The surcharge for BLM – NM currently is \$5.65 per AUM

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### Kind and Class of Livestock

May lease state trust land for kind and class of livestock which is determined to be in the best interest of the trust. No approval is needed to switch class or kind of livestock. However, stocking rates must remain within the carrying capacities set for the lease.

The permit or lease specifies the kind of livestock for the permitted use. Any changes to the kind of livestock must remain within the permitted use and must be approved through BLM.

### Range Improvements

Must approve all improvements through an application process prior to any construction, placement, development, or implementation. Applications may only be submitted by the lessee of record and require the approval of the NMSLO before any improvement work begins.

Unauthorized improvements may be subject to removal if removal is deemed necessary by the NMSLO and in the best interest of the trust.

The NMSLO will recognize lessee investments for authorized improvements when the loss of the land occurs due to sale of the land or lease to another party. Compensation will be based on the appraised value of the improvement. The lease holder is responsible for all maintenance and upkeep of these improvements.

Unauthorized improvements may be recognized at the discretion of the NMSLO, but compensation will not exceed 75% of the assessed value.

If the improvement value is not included in the appraisal of the land for purposes of the land exchange title to the BLM improvements attached to the land being transferred will be transferred to the grazing lessee and a list of these improvements will be provided to the NMSLO.

Permanent range improvements are authorized by Cooperative Range Improvement Agreement. Range Improvement Permits may be issued for removable range improvements that are needed to achieve management objectives.

A Range Improvement Permit or Cooperative Range Improvement Agreement does not convey to the permittee or cooperator any right, title, or interest in any lands or resources held by the United States.

Maintenance is the responsibility of the permittee. In an exchange situation, BLM will recognize the NMSLO authorization for each range improvement as valid existing right. Upon the request of the grazing permittee/lessee and following the land exchange, BLM would issue a Cooperative Range Improvement Agreement to replace a NMSLO authorization.

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### Renewal

Leases are issued for the term of five years. Competitive bids may be submitted during a 30-day period prior to lease expiration (typically Sept. 30). During the renewal year upon receipt of simultaneous applications, the lease shall be awarded to the applicant offering the highest annual rental amount.

The current lessee can retain the lease by following the application process and matching the highest annual rental offered by other applicants for the lease.

The existing permit or lease holder has a priority for renewal with BLM providing they have a satisfactory record of performance and substantial compliance with the terms and conditions of the Federal permit or lease.

BLM may complete an analysis in accordance with the National Environmental Policy Act prior to reissuing the permit or lease. Permits and leases may be reissued under FLPMA with the same terms and conditions.

### Tenure

Normally issues grazing leases for up to 5 years.

Normally issues grazing leases and permits for up to 10 years.

### Cancellation

May cancel a lease for violation of the lease terms or conditions. The NMSLO may cancel the lease 30 days after providing the lessee with notice of default. Where a withdrawal of acreage from the agricultural lease is initiated to lease for a higher and better use, the NMSLO will give notice 90 days prior to the date the withdrawal is to take effect. The lessee is entitled to compensation for improvements on the land withdrawn and paid by the new lessee of the land withdrawn.

May cancel a lease or permit, in whole or part, in accordance with the grazing regulations. When an authorization may be canceled due to a proposed land exchange, BLM must provide a two-year notice to the permittee or lessee

### Water Rights

Water rights owned by a lessee will remain with the lessee. Water rights owned by the BLM or the NMSLO will be transferred to the new landowner.

Water rights owned by a permittee or lessee will remain with the permittee. Water rights owned by the BLM or the Commissioner will be transferred to the new landowner.

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### Public Access

Authorizes the right to use the surface of specified lands through a lease, right-of-way, easement, or permit. Public access is therefore restricted except where allowed or permit by state lease, right of way, hunting and fishing regulation, right of entry or recreation permitted use.

NMSLO does not place specific access restrictions on the agricultural lessee's mode of travel or limitations on off road travel. However, Off-Highway Vehicle (OHV) use is restricted to existing roads.

Oil and Gas, renewable energy, and other development and production may be allowed on trust lands but must be authorized and monitored by NMSLO.

Where there is legal access to the public lands, the BLM managed lands are open for public use. The public use is managed by the BLM.

### Permits and Leases on Acquired Lands

Upon exchange NMSLO will honor existing grazing permits or leases, and will be governed by the terms and conditions in effect at the time of acquisition.

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Upon exchange BLM would acknowledge existing agriculture leases and management by NMSLO. At the expiration date of the NMSLO lease or voluntarily relinquishment by the lessee, BLM would modify BLM permits or leases as needed.

For more information about State Land Office leases, please contact your local district resource manager or the Surface Resources Division at 505-827-5842.

For more information on BLM grazing permits or leases please contact Supervisory Rangeland Management Specialist Juan Gamon at (575) 525-4312