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FISCAL IMPACT REPORT

ORIGINAL DATE 2/18/09
 LAST UPDATED 2/26/09 HB 793/aHAFC/aHF1#1

SPONSOR Lujan, B.

SHORT TITLE Noxious Weed Management Fund SB _____

ANALYST Haug

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	None		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY09	FY10	FY11		
	\$0.1	\$0.1	Recurring	Noxious Weed Management Fund

(Parenthesis () Indicate Revenue Decreases)

Duplicates SB 598

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

Department of Agriculture (NMDA)

SUMMARY

Synopsis of HF1 Amendment #1

House Floor Amendment #1 makes the fund created in the State Treasury a non-reverting fund.

Synopsis of HAFC Amendment

The House Appropriations and Finance Committee amendment creates the Noxious Weed Management Fund in the State Treasury rather than DFA and specifies that the “department” is the NMDA. The amendment further appropriates the fund to NMDA to carry out the purposes of

the Noxious Weed Management Act. Disbursements would not require the signature of the DFA Secretary.

Synopsis of Original Bill

House Bill 793 would create the Noxious Weed Management Fund in the New Mexico Department of Agriculture consisting of gifts, donations, grants and legislative appropriations. Interest earnings on the fund would be credited to the fund. The bill requires disbursements from the fund be on warrants signed by the Secretary of the Department of Finance and Administration on vouchers signed by the NMDA Director.

Money in the fund is appropriated to NMDA to:

- Allocate up to \$50.0 of the principal in the fund for immediate response to a noxious weed emergency to manage or confine new noxious weed species if a new and potentially harmful noxious weed is discovered growing in the state and its presence is verified by the NMDA.
- Make grants or contracts to noxious weed control districts, cooperative weed management areas or other entities appropriate for noxious weed management projects to eradicate or contain noxious weeds.
- Conduct noxious weed management research, evaluation and education.
- Develop, implement or demonstrate innovative noxious weed management methods.

FISCAL IMPLICATIONS

The bill contains no appropriation for the Noxious Weed Management Fund.

NMDA states that cooperative weed management areas (CWMAs) would be eligible to receive grants from the fund through a competitive grant process. Allocation of these funds would be used by CWMAs as matching funds for a variety of state, federal, and private grants programs. This funding will also be used to leverage additional funding from local, state, and federal government agencies.

This bill creates a new fund and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

SIGNIFICANT ISSUES

The NMDA states that:

This funding would allow New Mexico's CWMAs to become more self-sufficient, while expanding their noxious weed information/education and management efforts statewide. This would allow NMDA's state noxious weed coordinator to focus increased energy on the coordination of existing state and federal noxious weed management resources. Such

an approach will allow NMDA to maximize existing staff hours, increase the efficiency of existing noxious weed management resources, and better serve New Mexico's citizens.

Many of the CWMA's have been in existence for several years and have maximized all of the resources available through their partnerships and various grant sources. The need, at the local level, to implement more comprehensive noxious weed control efforts has been expressed to the NMDA. Unfortunately the program needs exceed the current available resources. This legislation would give CWMA's financial resources to bolster and expand the future efforts of the CWMA partners, and control the spread of noxious weeds in New Mexico.

The NMDA notes that:

The detrimental economic and environmental impact of noxious weeds in New Mexico has increased significantly since the New Mexico noxious weed management act (76-7D-1 to 76-7D-6 NMSA 1978) was passed in 1998. According to federal estimates, approximately 4,000 acres of land are lost daily to noxious weed infestations in the United States. Noxious weed species have negative impacts on wildlife habitat, rangeland and cropland productivity, and overall watershed health.

There are significant foreign plant infestations occupying rangeland and other natural resource areas in the United States and Canada today. Studies from the late 1970s – 1980s show the economic impact to productive land and natural resources increases significantly if the weed problem is not addressed. For instance scotch thistle (*onopordum acanthium*) infestations in northern California cause annual losses to ranchers equating to \$60.50/acre on wet meadows, \$39.50/acre on wheatgrass stands, and \$20.16/acre on cheatgrass rangelands (hooper et al, 1970). Total direct and indirect losses to north Dakota grazing land and wildland caused by leafy spurge were valued at \$87.3 million and the majority of indirect losses to households at \$28.7 million annually and cause a loss of 1,000 jobs per year in north Dakota (hooper et al, 1970).

Invading and non-indigenous species in the United States cause major environmental damages and losses valued at over \$138 million per year. It is estimated that there are over 50,000 foreign species in the United States and the numbers are steadily rising. According to a 1999 study by pimental et al, approximately 42% of species on the threatened or endangered lists are at risk due to impacts from invasives.

During the 2006 legislative session, the New Mexico legislature recognized the importance of controlling noxious seeds in senate memorial 45. In part it states that "the state be encouraged to take action to reverse the trend of increasing invasions, combat noxious weed infestations throughout the state and prevent the introduction of new weeds." Similarly, former governor Johnson approved executive order 00-22 which requires executive agencies to "manage infestations of plant species designated by NMDA as class A noxious weed infestations on state land or rights-of-way under their jurisdiction." Federal and state initiatives recognize the need to prevent the introduction of noxious weeds, control current infestations, and educate the public about the importance of issues surrounding this problem.

The HED notes further that according to the NMDA, invasive species have been cited as the second largest threat to endangered native species. Noxious weed infestations negatively impact biological diversity, increase erosion, and increase operating costs for land management agencies and the agricultural industry. Most noxious species in New Mexico are found on rangelands and wild lands. Invasions of noxious species in the range and wild landscape result in decreases in available forage for livestock and wildlife. In addition, the failure to manage noxious weeds on state lands and rights-of-way results in the spread of those weeds to neighboring public and private lands. Noxious weeds growing in transportation corridors provide a source of seeds and a method for rapidly transporting noxious weeds into other regions of the state which may have not been previously infested.

ADMINISTRATIVE IMPLICATIONS

NMDA notes that as written SB598 requires the director of NMDA to sign vouchers and send those to DFA which will then issue a warrant. This may hamper NMDA's ability to act efficiently or effectively in an emergency or in a programmatic manner.

DUPLICATION

Senate Bill 598 duplicates House Bill 793.

ALTERNATIVES

NMDA suggests modeling the noxious weed management fund after the acequia and community ditch fund in an effort to streamline the process and facilitate responsiveness to noxious weed problems across the state.

GH/mt:svb