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FISCAL IMPACT REPORT

SPONSOR:	Ru	liz	DATE TYPED:	02/07/03	HB	280a/HAGC
SHORT TITL	E:	Goats for Phreatophy	te Removal		SB	
				ANALY	YST:	L. Baca

APPROPRIATION

Appropriation	on Contained	Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$1,000.0			Recurring	GF

(Parenthesis () Indicate Expenditure Decreases)

Relates to: HB 95 & HB 124

Relates to the Appropriation for New Mexico State University in the General Appropriation Act

SOURCES OF INFORMATION

Responses Received From

Energy, Minerals and Natural Resources Department (EMNRD) New Mexico Department of Agricultures (NMDA) New Mexico State Highway and Transportation Department (NMSHTD) Office of State Engineer (OSE)

SUMMARY

Synopsis of HAGC Amendment

The HAGC amendment authorizes program expenditures in fiscal year 2005 instead of fiscal year 2004 with any unexpended or unencumbered funds to revert to the general fund at the end of fiscal year 2005; and strikes the contingency that soil and water conservation districts carry out aerial spraying only by helicopter or ground application with prior public notice.

Synopsis of Original Bill

House Bill 280 appropriates \$1,000.0 from the general fund to the Board of Regents of New Mexico State University (NMSU) for a pilot program that will utilize goats to remove salt cedar and other non-native phreatophytes to improve water flow within the Rio Grande and to improve the habitat of endangered species. The bill also authorizes the use of herbicides by helicopter or ground application with prior public notice.

Significant Issues

Several issues are referenced in the analysis submitted by the responding agencies. Among them are:

- Use of goat grazing to remove phreatophytes and other non-native vegetation has not been scientifically evaluated.
- Anecdotal evidence supports the theory that goats can be effectively used in this process since large trees are less impacted than "smaller" vegetation.
- Goat grazing should be practiced only by those with expertise in weed management as well a goat grazing,
- Eradication of non-native plants could take several years, and the time frame for the pilot program should probably be extended to five or six years.

The NMDA reports that research is still ongoing on the use of biological control agents (mainly a leaf beetle) to control salt cedar. While working under the same principles as goat grazing, the beetle is host specific and will not impact native species to the same extent as goats.

FISCAL IMPLICATIONS

The appropriation of \$1,000.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

NMDA reports it would expend significant resources to assist in implementing provisions of the bill and carrying out everyday tasks associated with the project and additional resources would be needed.

RELATIONSHIP

HB 280 relates to <u>HB 95, Enhance Pecos River Basin, a bill that appropriates funds for eradica-</u> <u>tion of non-native vegetation in the Pecos and Rio Grande river basins, and</u> <u>HB 124, Phreatyphyte Eradication & Control.</u>

OTHER SUBSTANTIVE ISSUES

This request for funding was not submitted to the CHE by the Board of Regents of NMSU, and, consequently, was not reviewed by the CHE

POSSIBLE QUESTIONS

- 1. How successful have goat grazing project proven to be, so far?
- 2. Who will monitor the projects?
- 3. Is this proposal supported by people or organizations from soil and water conservation districts?

LRB/prr