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FISCAL IMPACT REPORT

SPONSOR: Stell DATE TYPED: 2/25/03 HB 749

SHORT TITLE: Promote New Mexico Wheat SB _____

ANALYST: L. Baca

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$15.0			Recurring	GF

(Parenthesis () Indicate Expenditure Decreases)

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

SOURCES OF INFORMATION

Responses Received From

Commission Higher Education (CHE)
 Economic Development Department (EDD)
 New Mexico Department of Agriculture (NMDA)

SUMMARY

Synopsis of Bill

House Bill 743 appropriates \$15.0 from the general fund to the Board of Regents of New Mexico State University (NMSU) to support the New Mexico Department of Agriculture (NMDA) in conducting a cooperative program with the New Mexico Wheat Growers Association to market and promote New Mexico wheat.

Significant Issues

The NMDA reports that wheat is one of the state's major agricultural commodities ranking 12th in total cash receipts valued at slightly more than \$22 million in 2001. The NMDA is requesting \$15,000 to participate in national promotions and marketing activities.

FISCAL IMPLICATIONS

The appropriation of \$15.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2004 shall revert to the general fund.

OTHER SUBSTANTIVE ISSUES

This request was not included in NMSU's budget request from the Board of Regents, and thus was not included in the list of priority projects submitted to by NMSU to the CHE for review.

AMENDMENTS

The CHE suggests adding the following language for all new recurring higher education programs (assuming that funding will continue beyond 2003-2004):

“A plan for a program evaluation, including specific program goals and criteria for assessing program effectiveness, shall be submitted to the Legislative Finance Committee and the Commission on Higher Education by October 1, 2004. An assessment of the program will be completed prior to June 30, 2005, and submitted to the Legislative Finance Committee and the Commission on Higher Education.”

POSSIBLE QUESTIONS

1. Is a general fund appropriation the only way the NMDA can participate in national promotional and marketing activities?
2. What percent, or dollar amount, does NMDA presently devote to marketing and promotion of New Mexico's agricultural products?

LRB/prr