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FISCAL IMPACT REPORT

SPONSOR Nunez DATE TYPED 2/23/05 HB 87/aHAGC

SHORT TITLE New Mexico State University Pecan Tree Pest Control SB _____

ANALYST Woods

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$80.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to the appropriation for New Mexico State University in the General Appropriations Act.

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Department of Agriculture (NMDA)

SUMMARY

Synopsis of HAGC Amendment

House Agriculture and Water Resources Committee amendment to HB87 amends the legislation as follows:

- *on page 1, line 12*, the word “exotic” is removed; and
- *on page 1, line 20*, the word “exotic” is again removed.

House Agriculture and Water Resources Committee amendment to HB87 adds no additional appropriation to this legislation.

Synopsis of Original Bill

House Bill 87 – Making an Appropriation to New Mexico State University for Control of Exotic Pecan Tree Pests – appropriates \$80,000 from the general fund to the Board of Regents of New Mexico State University for expenditure in FY06 for the New Mexico Department of Agriculture to provide

support for the prevention, detection and eradication of exotic pecan pests. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

Significant Issues

The NMDA estimates that the annual commercial value of New Mexico's pecan production to be in excess of \$50 million. Further, that the recent inadvertent introduction of the pecan weevil into three regions of the state necessitated NMDA to solicit volunteer funding from pecan producers to initiate a temporary detection and eradication program. Accordingly, the department suggests two central objectives drawn from this funding request:

- To prevent the spread of pecan weevil to uninfested areas while allowing for inter- and intrastate shipment of pecans.
- To implement a permanent and expanded program directed at protecting the pecan industry from new pests that threaten its economic viability.

FISCAL IMPLICATIONS

The appropriation of \$80,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

NMDA would be the pass-through agency for this appropriation and would retain oversight of the program.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to the appropriation for NMSU in the General Appropriations Act.

OTHER SUBSTANTIVE ISSUES

This request for funding was not submitted to the Commission on Higher Education (CHE) by the Board of Regents of NMSU, and, accordingly, was not reviewed by the CHE.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

NMDA considers a continued reliance on volunteer funding from pecan producers unreliable and currently inadequate to maintain a viable detection and eradication program.

BFW/yr:lg