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FISCAL IMPACT REPORT

SPONSOR Campos DATE TYPED 02-20-05 HB _____

SHORT TITLE NM Highlands Southwest Ecological Institute SB 743

ANALYST Woods

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$450.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to the appropriation for New Mexico Highlands University in the General Appropriations Act. Duplicates HB945

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Energy, Minerals and Natural Resources Department (EMNRD)
 New Mexico Environment Department
 New Mexico Department of Game and Fish

No Response Received From

New Mexico Commission on Higher Education (CHE)

SUMMARY

Synopsis of Bill

Senate Bill 743 – Making an Appropriation to the Board of Regents of New Mexico Highlands University to Establish a Southwest Ecological Institute – appropriates \$450,000 from the general fund to the Board of Regents of New Mexico Highlands University for expenditure in FY06 to establish a Southwest Ecological Institute at New Mexico Highlands University. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

Significant Issues

EMNRD indicates that the need for restoring ecosystem health in the Southwest has been evident for decades, especially for its ponderosa pine and drier mixed conifer forests. As a result of the interruption of the natural frequent fire regime coupled with past harvesting and grazing practices, forests became dense and vulnerable to unnaturally severe, stand replacing fires and insect and disease epidemics. In many watersheds, over 90 percent of the forest is considered at moderate or high risk for catastrophic fires due to dense stand structure and accumulated fuels. Entire states and regions are now at risk of losing the ecological and environmental benefits of greater ecosystems at the scale of millions of acres.

To this end, EMNRD advises that Northern Arizona University, Colorado State University and New Mexico Highlands University are jointly developing the Southwest Ecological Restoration Institutes (Institutes). The respective states will be full partners and be represented by their State Foresters. This purpose of the non-regulatory Institutes are to bring the unique strengths of the member universities individually, collectively and in partnership with other institutions to help support land managers and their collaborators working to achieve comprehensive ecological restoration treatments on the ground. The Institutes will also assure ecological restoration treatments are effective and efficient. They will develop, translate and transfer practical operation-oriented scientific knowledge to land managers, community groups and others who cooperate in the design and implementation of ecosystem restoration treatments.

This project is not included in CHE's 2005-2006 *Higher Education Funding Recommendation*.

PERFORMANCE IMPLICATIONS

EMNRD further notes that the Institutes' mission is complementary to the Forestry Division's mission of providing for healthy forests and watersheds in New Mexico. Forestry's performance will be enhanced because the Institutes will ensure all stakeholders and levels of governments have access to the best scientific information available to implement collaborative ecosystem restoration treatments in the most effective and efficient manner. The Institute at Highlands will be an important partner with Forestry as the New Mexico Forest and Watershed Health Plan is implemented using a collaborative approach.

FISCAL IMPLICATIONS

The appropriation of \$450,000 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

New Mexico Highlands University will retain oversight of this appropriation.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

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

Duplicates HB945 in that HB945 also seeks to appropriate \$450,000 from the general fund to the

Board of Regents of New Mexico Highlands University for expenditure in FY06 to establish a Southwest Ecological Institute at New Mexico Highlands University.

OTHER SUBSTANTIVE ISSUES

As background, EMNRD suggests that many natural resource specialists and land managers feel that science indicates that thinning, burning and other forest restoration techniques can be effective in restoring forest health and reducing the threat of unnatural fire in the Interior West's forest types. Although there are clear needs for the discovery of additional scientific information, the flood of existing literature, the disconnected sources of information, and the complexity of environmental analysis can overwhelm the resources of practitioners, stakeholders and decision makers. Wildland ecosystems and their dependent human communities are the ultimate victims if managers cannot mobilize the critical information for rapid, thorough, and scientifically defensible environmental analysis.

BFW/njw