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FISCAL IMPACT REPORT

ORIGINAL DATE 2/1/06

SPONSOR Nunez LAST UPDATED _____ HB 471

SHORT TITLE Agricultural Product Marketing Clearinghouse SB _____

ANALYST Earp

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$675.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates Senate Bill 172

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

New Mexico Department of Agriculture (NMDA)

SUMMARY

Synopsis of Bill

House Bill 471 appropriates \$675,000 from the general fund to the Board of Regents of New Mexico State University (NMSU) for the New Mexico Department of Agriculture (NMDA) to develop and operate an export marketing and clearinghouse program for New Mexico agricultural products.

FISCAL IMPLICATIONS

The appropriation of \$675,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

SIGNIFICANT ISSUES

This proposal was not included among the special program funding requests submitted by the

New Mexico State University to the Higher Education Department (HED) for review. Consequently, this proposal has not been included in the HED fiscal year 2007 funding recommendations to the Legislature.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

House Bill 471 and Senate Bill 172 are duplicate measures.

OTHER SUBSTANTIVE ISSUES

NMDA reports that:

1. NMDA maintains an international trade program which develops export markets for livestock, food, and agricultural products.
2. NMDA routinely conducts international trade activities including trade shows, trade missions, in-bound buying missions, reverse trade missions, table top show case, seminars, market entry services and identification of markets, trade barriers, and constraints.
3. NMDA is a charter member of the Western United States Agricultural Trade Association.

HED states that, if this proposal is funded, NMSU shall submit a plan for program evaluation, including specific program goals and criteria for assessing program effectiveness to the Legislative Finance Committee (LFC) and the NMHED by August 1, 2006. The institution shall also submit a program evaluation to the LFC and the NMHED by June 30, 2009, detailing the benefits to the State of New Mexico from having this program implemented for a three-year period.

DKE/mt