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FISCAL IMPACT REPORT

SPONSOR Tripp **ORIGINAL DATE** 1/25/2007
LAST UPDATED 2/13/2007 **HB** 344/aHTRC
SHORT TITLE Rio Grande Habitat Restoration **SB** _____
ANALYST McOlash

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$266.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Senate Bill 115

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Department of Agriculture (NMDA)

New Mexico Higher Education Department (NMHED)

SUMMARY

Synopsis of HTRC Amendment

The House Taxation and Revenue Committee amendment to HB 344 strikes the words “plan, design, implement and construct” from the purpose and inserts the word “implement” instead. The appropriation for expenditure in FY 2008 for the Soil and Water Conservation District is to implement habitat restoration on the Rio Grande in Socorro County. The planning and designing has already occurred.

Synopsis of Original Bill

House Bill 344 appropriates \$260,000 from the General Fund to the Board of Regents of New Mexico State University for expenditure in FY08 for the Socorro Soil and Water Conservation District (Socorro – SWCD) to plan, design, implement, and construct habitat restoration on the Rio Grande in Socorro County.

FISCAL IMPLICATIONS

The appropriation of \$266,000 contained in this bill is a non-recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the General Fund.

SIGNIFICANT ISSUES

The Socorro SWCD is an independent subdivision of state government, led by a board of supervisors, the majority of whom are locally elected. Local conservation districts are tasked with implementing programs to address local conservation needs. The Socorro SWCD has been active in riparian restoration projects for several years, and has served as fiscal agent for the lower Rio Grande Salt Cedar Control Project since its inception in 2002.

As reported by NMHED, the appropriation will be used to treat and remove salt cedars; re-establish native plant species; fence the 28 miles perimeter of private properties to keep cows from grazing on new plants; control obnoxious non-native weeds, such as the Russian Knapweed; and follow-up of salt cedar control on 347 acres burned in 2005. This project is a combination of continued treatment and restoration and new removal and restoration projects. Four tracts in this area have previously received funding for treatment from state funds and through Fish & Wildlife Service grants. This project is in partnership with the Save Our Bosque Task Force, a nonprofit organization in Socorro County

This request was not submitted by NMSU to NMHED for review and was not included in the Department's funding recommendation for FY08.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

House Bill 344 is a companion to Senate Bill 115, which appropriates \$10,000,000 to NMSU for the Soil and Water Conservation Commission to manage and administer salt cedar removal and riparian restoration in accordance with the non-native phreatophyte/watershed management plan.

OTHER SUBSTANTIVE ISSUES

Office of the State Engineer/Interstate Stream Commission Analysis of Senate Bill 115

The latest analyses by the United States Academy of Sciences and the American Council of Civil Engineers indicate that the amounts of water salvaged by phreatophyte removal programs are much less than predicted and may even be non-existent unless accompanied by a careful planned program of reintroduction of low water use native plants. Studies show that in most instances, great care must be taken or net water consumption can actually increase, not decrease. Similar assessments are given by scientists from national laboratories and academia.

Any funding for this type of work should be expended pursuant to the FOREST AND WATERSHED HEALTH PLAN and the NEW MEXICO STATEWIDE POLICY AND STRATEGIC PLAN FOR NON-NATIVE PHREATOPHYTE/WATERSHED MANAGEMENT and must meet all the requirements, guidelines, templates and protocols established by those plans.

BM/csd