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FISCAL IMPACT REPORT

SPONSOR Roch ORIGINAL DATE 02/02/10
LAST UPDATED _____ HB 104
SHORT TITLE Landowners on Renewable Energy Authority SB _____
ANALYST Woods

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY10	FY11		
	None		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Energy Minerals and Natural Resources Department (EMNRD)

Renewable Energy Transmission Authority (RETA)

SUMMARY

Synopsis of Bill

House Bill 104 seeks to amend Section 62-16A-1 NMSA 1978 to require that the New Mexico Renewable Energy Transmission Authority (RETA) shall include an additional two members who shall be landowners in areas in which renewable energy resources are being used to generate renewable energy. The number of members would be increased from seven to nine. The two landowner members would be appointed by the Governor.

FISCAL IMPLICATIONS

RETA indicates that the agency "...has a limited budget and will have to incur additional costs, including per-diem for two additional board members."

SIGNIFICANT ISSUES

EMNRD notes that, under the current statute, there is no member qualification as a landowner in an area where renewable resources are being produced. For renewable resources such as wind and solar, large areas are needed for the power plants.

PERFORMANCE IMPLICATIONS

EMNRD indicates that having members on RETA with landowner qualifications would provide the on-the-ground perspective of renewable energy development and transmission to the RETA membership.

ADMINISTRATIVE IMPLICATIONS

None noted by respondents.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None noted by respondents.

TECHNICAL ISSUES

EMNRD suggests the following:

Section 1.C(3) does not designate the landowner members as “appointed” members and could lead to confusion as to whether the non-appointed members (state treasurer, state investment officer) or members appointed by legislative leaders could be the landowner members. See amendments. The qualifications subsection would flow better if 1.C(3) was actually inserted as 1.C(2).

OTHER SUBSTANTIVE ISSUES

None noted by respondents.

ALTERNATIVES

None noted by respondents.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The number of members on the authority would remain at seven and there would be no requirement that they include landowners.

AMENDMENTS

EMNRD suggest that, on page 3, line 11, after “members” insert “appointed by the governor”.

BW/svb