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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/12/11  
SPONSOR Nuñez LAST UPDATED \_\_\_\_\_ HJM 29  
SHORT TITLE Pecan Pesticide-Free Certification From DOA SB \_\_\_\_\_  
ANALYST Haug

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>		See Narrative	See Narrative			

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From

### SUMMARY

Department of Agriculture (NMDA)

#### Synopsis of Bill

House Joint Memorial 29 requests the (NMDA) to develop a pesticide-free certification for pecans produced in New Mexico and report its progress to an appropriate interim legislative committee by December 1, 2011.

Without more detailed information available at this time additional cost is estimated to be moderate to substantial.

### FISCAL IMPLICATIONS

The NMDA states that while development of a pesticide-free certification program proposal can be accomplished by NMDA at minimal cost, implementation of a pesticide-free certification program may require significant start-up funds and require continued funding support. User fees would likely be at a significant cost to producers if the program is to be self sustaining.

### SIGNIFICANT ISSUES

The NMDA comments:

NMDA supports industry initiatives that increase value or broaden markets for all commodities. HJM29 requests that NMDA to address pesticide-free certification for

pecans only. Currently NMDA does not know of any state agency or private laboratory within New Mexico that provides pesticide screening procedures that would be required to support a pesticide-free certification program.

With adequate funding, a pesticide-free certification program has the potential to be an asset to New Mexico by increasing the value of locally grown products for sale domestically or internationally. The development potential and scope of pesticide-free markets is unknown at this time.

## **TECHNICAL ISSUES**

The NMDA notes that the term pesticide is an all encompassing term meaning any product, regardless of its composition, which claims to control a pest. Products which contain 100% organic ingredients are still pesticides if the label claims to control a pest and would also be prohibited by a ‘pesticide-free’ certification program. Also, pesticide-free certification will disallow use of products to control any pest including weeds (herbicides), diseases (fungicides), as well as insects (insecticides). Applications to control insect pests not directly affecting the pecans, such as mosquitoes in the orchard, would be limited as the active ingredients of these products cannot be distinguished from those applied directly to the trees. The program would need to make clarifications and exceptions for certain pesticide uses, adding additional efforts to producers.

GH/mew