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FISCAL IMPACT REPORT

SPONSOR _	Rodriguez	ORIGINAL DATE LAST UPDATED		
SHORT TITLI	E Northern NM Chi	le Farmer Needs Study	SB	466
			ANALYST	Kleats

APPROPRIATION (dollars in thousands)

Appropr	iation	Recurring	Fund
FY11	FY12	or Non-Rec	Affected
	\$150.0	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates HB 430

SOURCES OF INFORMATION

LFC Files

Responses Received From
Attorney General's Office (AGO)
New Mexico Department of Agriculture (NMDA)

SUMMARY

Synopsis of Bill

Senate Bill 466 appropriates \$150,000 from the general fund to the local government division of the Department of Finance and Administration for the purpose of contracting a nonprofit community development organization to study the long-term needs and agricultural research initiatives of northern New Mexico chile farmers.

The contracted organization would inform the legislature, Department of Agriculture, New Mexico State University and other interested third parties of those research needs with the aim to find equitable solutions for a healthy coexistence of traditional and nontraditional chile initiatives and industries.

FISCAL IMPLICATIONS

The appropriation of \$150,000 contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY2012 shall revert to the general fund.

TECHNICAL ISSUES

SB 466 provides a narrow description of the organization to be contracted for this study which could limit the applications reviewed by the Local Government Division of the Department of Finance and Administration during the proposal process. The description is broad enough, however, to allow at least four different farmers' organizations and possibly others to compete for the contract: Chimayo Chile Farmers Incorporated, Native Hispanic Institute, Pojoaque Farmers Market, and Santa Fe Farmers Market. In addition, a narrower description might compromise the quality of the study.

The Attorney General's Office (AGO) analysis states language in an appropriations bill cannot evade the requirements of the Procurement Code. In addition, practices required in those types of laws that have broad application, such as the Procurement Code, are favored over individual laws crafted for certain circumstances/industries and especially over those laws that may create advantages in violation of equal protection issues. The AGO refers the reader to N.M. Const. Art. IV, § 16; N.M. Const. Art. IV, §§ 24, 26; and Board of Trustees v. Montano, 82 N.M. 340, 343, 481 P.2d 702 (1971).

The AGO makes no assertion whether the description within HB 430 evades the requirements of the Procurement Code.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB 466 duplicates House Bill 430.

OTHER SUBSTANTIVE ISSUES

The Department of Agriculture states in its analysis that 84 acres of chile were grown in Rio Arriba and Santa Fe Counties according to the 2007 agricultural census. 80 of those acres were sold fresh at market, and 4 acres went to processing. The agricultural census also indicated that 77 farms produced chile in Rio Arriba and Santa Fe Counties. These are relatively small farms averaging little more than one acre of chile production each.

IK/mew:bym