

LFC Requester:

Connor Jorgensen

**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

Analysis.nmlegis.gov

{Analysis must be uploaded as a PDF}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original **Amendment**
Correction **Substitute**

Date 1/25/2024

Bill No: SB 27

Sponsor: Crystal Diamond Brantley
Short Title: Vines & Root Stock for Vineyards

Agency Name and Code NMDA -199
Number: _____
Person Writing Jeff Witte
Phone: 575-646-5063 **Email** Hrickner@nmda.nmsu.edu

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
N/A	\$1,000.0	Nonrecurring	General

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: N/A

Duplicates/Relates to Appropriation in the General Appropriation Act: N/A

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: Senate Bill 27 provides an appropriation of \$1,000.0 (one million dollars) from general fund to the board of regents of New Mexico state university (NMSU) for the New Mexico department of agriculture (NMDA) to fund and provide rootstock or vines for production of new vineyards in New Mexico. The funds must be expended in the fiscal years 2025 through 2028. Any unexpended or unencumbered balance remaining at the end of fiscal year 2028 would revert to the general fund.

FISCAL IMPLICATIONS

N/A

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

SIGNIFICANT ISSUES

Grapevines for wine production have been planted in New Mexico for nearly 400 years, making New Mexico one of the oldest wine-producing states in the nation. According to the 2017 USDA Census, 376 growers farm 1,280 acres of grapes in the state.

The scope of NMDA’s role in SB 27 is to administer funding, if enacted, in accordance with New Mexico State statutes and administrative code to provide rootstock or vines for production of new vineyards in New Mexico.” NMDA seeks clarification on what constitutes, or qualifies, as a “new” vineyard (i.e., existing vineyards seeking to invest in growth and expansion on grounds not previously utilized for production of rootstock or vines vs. entirely new entities not already, or having been engaged in the business of producing rootstock, vines, or wine); and, clarification regarding its responsibilities (i.e., administer a grant program versus the sourcing and supplying of rootstock or vine cultivars, including procurement, warehousing, and distribution to subrecipients, etc.).

NMDA presently oversees the Vineyard Restoration Fund, a \$1,000.0 fund for restoring the economic and agricultural root of New Mexico's wine industry. The New Mexico Vineyard Restoration Fund is a \$1,000.0 Vine Fund awarded via a legislative initiative in 2022.

Continued program coordination may be required from other qualified affiliate industry resources (e.g., New Mexico wine and grape growers' association, NMSU cooperative extension service and the state viticulturist).

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

N/A

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

New state vineyards would not receive financial assistance for the purchase of rootstock or vines.

AMENDMENTS

N/A