

LFC Requester:	Jorgensen
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

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 Jan. 20, 2024
Bill No: SB93

Sponsor: Senator Diamond Brantley **Agency Name and Code** New Mexico State University/954
Short Chile Harvesting Fund **Number:**
Title: _____ **Person Writing** Clayton Abbey
Phone: 505-239-8821 **Email** nmsufir@nmsu.edu

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
	\$500.00	\$500.00 Nonrecurring to be expended by end of fiscal year 2026.	

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		

(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						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: The bill appropriates \$500,000, to be expended in 2025 and 2026, to the College of Agricultural, Consumer and Environmental Sciences at New Mexico State University. A total of \$400,000 for the College of Agricultural, Consumer and Environmental Sciences to conduct research and development of chile harvesting solutions. A total of \$100,000 for the College of Agricultural, Consumer and Environmental Sciences to collaborate with statewide associations to design and implement a marketing and promotional campaign for chile grown in New Mexico.

FISCAL IMPLICATIONS

New Mexico type chile is a critical crop for the growers and processors in the state; however, since peaking at more than 26,000 acres in 1992, production pressures have led to a dramatic reduction to about 8,500 acres grown annually, about half of which is the predominantly hand-harvested green chile crop. A key issue spurring the decline is the shortage and expense of farm labor needed for this labor-intensive crop. Adopting mechanical harvest is essential to reversing the declining acreage. Net operating profit per acre of manually harvested NM type green chile is approximately \$1,000/acre. When using new, highly efficient mechanical harvest varieties, the net profit increases to about \$3,000/acre. With research and development in breeding these new varieties to spur full adoption of mechanical harvest, the potential economic impact is \$8,500,000 annual net proceeds to producers.

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

N/A

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

N/A

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

There are no conflicts or duplications.

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Not investing in research of chile harvesting solutions and marketing New Mexico chile, the chile production in New Mexico will continue to decline negatively impacting New Mexico economy.

AMENDMENTS

N/A