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FISCAL IMPACT REPORT

ORIGINAL DATE 2/7/2007

SPONSOR Papen LAST UPDATED _____ HB _____

SHORT TITLE Pink Bollworm Control Program SB 531

ANALYST McOlash

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$85.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

New Mexico Department of Agriculture (NMDA)

SUMMARY

Synopsis of Bill

Senate Bill 531 appropriates \$85,000 from the General Fund to the Regents of NMSU for expenditure in FY 2008 for the NMDA to support pink bollworm control districts' expenditures pursuant to the Pink Bollworm Act.

FISCAL IMPLICATIONS

The appropriation of \$85,000 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY 2008 shall revert to the General Fund.

Continuing control is necessary since poor area wide management of pink bollworm could reduce production value by \$3 million or more and impede control efforts in adjacent states.

SIGNIFICANT ISSUES

NMDA Analysis

Pink bollworm, an insect pest that feeds directly within cotton bolls, is now found in all cotton production areas of New Mexico (approximately 70,000 acres). It is an economic pest in Luna, Sierra, and Eddy counties (approximately 26,000 cotton acres). Prior to eradication efforts in Doña Ana county, pink bollworm was a significant economic pest in Doña Ana county. Because of the importance of area-wide management of pink bollworm, as opposed to individual producer management, cotton producers in Doña Ana, Luna and Sierra counties voted to create a pink bollworm control district. The control district is currently working with the United States department of agriculture, animal and plant health inspection service and cotton producers in west Texas and northern Mexico on an area-wide eradication program. After four years of eradication efforts in south central New Mexico, Doña Ana, Sierra and Luna counties pink boll worm populations have decreased approximately 99.6 percent. These efforts have resulted in an increase in cotton production and have helped restore a margin of profitability that existed prior to the establishment of pink bollworm in the area. Similar eradication programs have been successful in Arkansas, Louisiana, Tennessee, Missouri, and California.

This proposal was not submitted to the HED by NMSU and was not included in the Department's funding recommendation for FY08.

BM/yr