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FISCAL IMPACT REPORT

ORIGINAL DATE 2/5/2020

SPONSOR Stefanics LAST UPDATED _____ HB _____

SHORT TITLE NMSU Healthy Soil Assessment Program SB 219

ANALYST Valenzuela

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY20	FY21		
	\$50.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to House Bill 166
Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Department of Agriculture (NMDA)

SUMMARY

Synopsis of Bill

Senate Bill 219 appropriates \$50 thousand from the general fund to New Mexico Department of Agriculture for the purpose of carrying out the health soil program pursuant to the Healthy Soil Act. This appropriation is in addition to funding in the General Appropriation Act of 2020.

FISCAL IMPLICATIONS

The appropriation of \$50 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end a fiscal year shall not revert to the general fund.

SIGNIFICANT ISSUES

The purpose of the Healthy Soil Act, 76-25-1 to 76-25-5 NMSA 1978 is “to promote and support farming and ranching systems and other forms of land management that increase soil organic matter, aggregate stability, microbiology and water retention to improve the health, yield and profitability of the soils of the state.” The healthy soil program is administered by NMDA with

the support and advice from the New Mexico Soil and Water Conservation Commission.

NMDA created two grant programs with the goal of improving soil health and engender soil health stewardship. The Pilot Project grant program invited proposals for hands-on pilot projects to improve soil health. NMDA received 84 proposals, totaling \$1.37 million in requested funds. Eighteen proposals were selected for funding, with approximately \$178 thousand awarded.

The Education and Outreach grant program uses both state funds appropriated for the healthy soil program and federal funds pledged by the Natural Resource Conservation Service. The application period for this grant program ended on January 15, 2020. A total of 49 proposals were received, totaling \$938 thousand in requested funds. NMDA will convene a review panel to select proposals to be funded.

ADMINISTRATIVE IMPLICATIONS

NMDA first received funding for the Healthy Soil Program in fiscal year 2020, \$100 thousand in recurring funding and \$275 thousand in nonrecurring funding. Starting up the program required the equivalent of 1.5 FTE, travel and materials estimated at approximately \$70 thousand recurring. NMSA does not anticipate administrative costs above the \$70K due to this appropriation.

RELATIONSHIP

HB2&3/HAFCS contains \$100 thousand in the NMDA appropriation for the Healthy Soils Program.

House Bill 166 would appropriate \$300 thousand for this purpose.

MFV/sb