NOTE: As provided in LFC policy, this report is intended only for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used in any other situation.

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FISCAL IMPACT REPORT

SPONSOR:	Nunez	DATE TYPED:	01/23/02	HB	50	
SHORT TITLI	E: Salt Cedar &	c Phreatophyte Managen	nent	SB		
	ANALY		YST:	Baca		

ANALYST:

APPROPRIATION

Appropriation Contained				Recurring or Non-Rec	Fund Affected	
FY02	FY03	FY02	FY03			
	\$300.0			Recurring	General Fund	

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 21

SOURCES OF INFORMATION

Energy, Minerals and Natural Resources Department (EMNRD) Department of Agriculture (NMDA)

SUMMARY

Synopsis of Bill

House Bill 50 appropriates \$300.0 from the general fund to the Board of Regents at New Mexico State University to support soil and water conservation districts' efforts to manage salt cedar and other phreatophytes to restore native vegetation and enhance water supplies.

Significant Issues

The EMNRD and the NMDA analysis state the importance of restoring native vegetation to enhance water supplies. Stands of non-native salt cedar trees are vulnerable to wildfire and are actually invigorated when burned. Bosque fires often damage native riparian vegetation. Removing non-native vegetation should enhance the use of water supplies and reduce the risk of wildfires.

PERFORMANCE IMPLICATIONS

According to EMNRD, enactment of this bill will indirectly benefit the Forestry Division's efforts to restore the health of riparian ecosystems. Also, removing stands of salt cedar and replacing them with native vegetation will reduce the risk of wildfires and make fire suppression less costly.

FISCAL IMPLICATIONS

The appropriation of \$300.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY2003 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

The program will be administered by NMSU.

RELATIONSHIP

House Bill 50 relates to House Bill 21. House Bill 21 appropriates funds to control salt cedar growth in Northeast New Mexico.

OTHER SUBSTANTIVE ISSUES

The following information is provided for information only. It is not intended as a commentary on the merits of the bill.

The request was not included in NMSU' budget request, and, consequently, was not reviewed by the CHE.

POSSIBLE QUESTIONS

 Is this appropriation request the only viable source of funding to deal with this issue?
What other sources of funding might be "tapped"?
Have efforts been made to obtain funding from sources other than the state legislature?

LB/njw:ar