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## FISCAL IMPACT REPORT

SPONSOR Tsosie DATE TYPED 1/31/04 HB \_\_\_\_\_

SHORT TITLE Controlled Environment Agricultural Research SB 350

ANALYST Weber

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$250.0			Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates HB 296

### SOURCES OF INFORMATION

LFC Files

No Responses Received From  
 Indian affairs Department (IAD)  
 New Mexico State University, New Mexico Department of Agriculture

### SUMMARY

#### Synopsis of Bill

Senate Bill 350 appropriates \$250 thousand from the general fund to the Indian Affairs Department for the purpose of conducting research on controlled environment agriculture issues.

#### Significant Issues

The University of Arizona web site offers the following basic definition of controlled environment agriculture.

“CEA or Controlled Environment Agriculture is a high technology industry for the production of food crops, flowers, houseplants, and medicinals within greenhouses. The greenhouse is the controlled environment structure. It may have many shapes and sizes, but it will always be covered with a material transparent to sunlight. Sunlight is required by the plants to grow healthy, and to reach maturity to produce a nutritious edible product, or a beautiful, fragrant

flower. The plants must also receive water and nutrients (fertilizer).”

**FISCAL IMPLICATIONS**

The appropriation of \$250 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2005 shall revert to the general fund.

**ADMINISTRATIVE IMPLICATIONS**

Although there was no response from the Department of Indian Affairs, it does not appear the agency has agricultural research capacity.

**POSSIBLE QUESTIONS**

Since the bill requests research on the topic, should consideration be given to appropriating to a post secondary educational institution with an agriculture specialty?

**MW/lg**