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## FISCAL IMPACT REPORT

SPONSOR Campos, Jose      DATE TYPED 02-15-05      HB 865

SHORT TITLE De Baca Soil & Water Mesquite Control      SB \_\_\_\_\_

ANALYST Woods

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$400.0			Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to the appropriation for New Mexico State University in the General Appropriations Act  
Relates to HB864

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

New Mexico Department of Agriculture (NMDA)

New Mexico Environment Department (NMED)

### SUMMARY

#### Synopsis of Bill

House Bill 865 – Making an Appropriation for Mesquite Control in the De Baca Soil and Water Conservation District – appropriates \$400,000 from the general fund to the Board of Regents of New Mexico State University for expenditure in FY06 to continue mesquite control efforts in the De Baca Soil and Water Conservation District, including restoration of riparian vegetation, monitoring and long-term management and maintenance in accordance with established templates and protocols. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

#### Significant Issues

NMED indicates that – in contrast to phreatophyte (e.g., salt cedar) control that is purported to reduce evapotranspirative water losses – control of mesquite is more of an issue of rangeland improvement less related to water conservation efforts. If not properly implemented, mesquite

removal could induce bank destabilization that in turn would increase the risk of erosion leading to water quality impacts, sedimentation and diminished capacity of the state's reservoirs. Several years ago, NMED notes, an incident associated with storm water runoff from a mesquite control effort using a chemical herbicide resulted in herbicide laden storm water runoff contaminating irrigation water. The contaminated irrigation water was unknowingly used by a downstream farmer and resulted in severe damage to the farmer's crop and future soil capacity. Caution must be used during the application of herbicides to prevent unintended negative collateral impacts. NMED also advises that:

- Effective revegetation with native non-nuisance species is necessary post nuisance plant species removal to minimize erosion and soil destabilization and therefore should be a funded, mandatory component of every nuisance plant eradication project. Previous legislation (SB230 in 2004) required native species revegetation plans to be implemented in association with phreatophyte removal.
- Mesquite eradication projects that utilize herbicides must also ensure that the herbicide is not applied directly or indirectly into a surface watercourse (perennial or ephemeral). NMED participates in the HB 2 (2004) Working Group on phreatophytes. HB 2 legislation requires a strategic plan that establishes a comprehensive, statewide policy on management, control, maintenance, and restoration of watersheds in the state. This policy is being finalized. This policy should be used as a guide in mesquite control efforts implemented by the soil and water districts.

## **FISCAL IMPLICATIONS**

The appropriation of \$400,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Relates to the appropriation for New Mexico State University in the General Appropriations Act

Relates to HB864 in that HB864 seeks to appropriate \$150,000 for the nonnative phreatophyte control program in the De Baca Soil and Water Conservation District.

## **OTHER SUBTANTIVE ISSUES**

NMED points out that NMED is responsible for ensuring that surface water quality is protected and water quality standards remain in compliance. After mesquite control activities are completed, native species revegetation implementation is critical to ensuring that the quality of the state's limited water resources. Additionally, NMED suggests that:

- funding for mesquite control projects should be contingent on: developing plans and earmarking money for implementation of native vegetation restoration plans; providing public notice prior to carrying out aerial spraying by helicopter or by ground application; conducting public hearings in the area affected; monitoring and evaluating the effects on wildlife, water quality, vegetation and soil health; and complying with endangered species act requirements; and

- NMSU should also be required to conduct an assessment and publish a report detailing the effectiveness of the program and the amount of money expended.

BFW/yr