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FISCAL IMPACT REPORT

ORIGINAL DATE 1/26/06

SPONSOR Papen LAST UPDATED _____ HB _____

SHORT TITLE Dept. of Agriculture Pecan Industry Marketing SB 245

ANALYST Earp

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$250.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates House Bill 138

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

New Mexico Department of Agriculture (NMDA)

SUMMARY

Synopsis of Bill

Senate Bill 245 appropriates \$250,000 from the general fund to the Board of Regents of New Mexico State University for New Mexico Department of Agriculture to perform pecan industry marketing efforts, research and pest eradication programs.

FISCAL IMPLICATIONS

The appropriation of \$250,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

SIGNIFICANT ISSUES

This proposal was not included among the funding priorities submitted to the Higher Education Department (HED) by New Mexico State University. Therefore, it was not considered by HED

for possible inclusion in its fiscal year 2007 funding recommendations.

ADMINISTRATIVE IMPLICATIONS

NMDA would bear the administrative impact of implementing the proposed pecan marketing, research and pest eradication program. NMDA reports that this legislation would not have a significant administrative impact on the department.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

House Bill 138 and Senate Bill 245 are duplicate measures.

OTHER SUBSTANTIVE ISSUES

NMDA reports that this legislation would enable the department to direct efforts in marketing, research, and pest eradication related to the pecan industry from a unified approach. The pecan industry is currently second in New Mexico crop cash receipts. With respect to economic development, pecan production is the foundation for other value added industries including processing, storage and distribution businesses. This bill funds a non traditional approach (three inter-laced programs) to enhancing and maintaining the economic development of the pecan industry. Research will be coordinated with the NMSU College Agriculture and Home Economics.

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