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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/31/06

SPONSOR Cisneros LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE NMHU Watershed Restoration Institute SB 271

ANALYST Earp

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$433.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Senate Bill 601

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

New Mexico Highlands University (NMHU)

Higher Education Department (HED)

Energy, Mineral & Natural Resources Department (EMNRD)

Environment Department (ED)

### SUMMARY

#### Synopsis of Bill

Senate Bill 271 appropriates \$433,000 from the general fund to the Board of Regents of New Mexico Highlands University (NMHU) to establish the New Mexico Forestry and Watershed Restoration Institute (FWRI).

### FISCAL IMPLICATIONS

The appropriation of \$433,000 contained in this bill is a recurring expense to the general fund. NMHU reports that these funds would be used to support the institute's professional, technical and student staff, excluding the director and administrative assistant. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

## **SIGNIFICANT ISSUES**

NMHU submitted this special program expansion proposal to the Higher Education Department (HED) for review; however, HED has not included this item among its fiscal year 2007 funding recommendations to the Legislature.

## **ADMINISTRATIVE IMPLICATIONS**

NMHU would be responsible for administration of the proposed Forestry and Watershed Restoration Institute. In fact, NMHU reports that it has committed \$190,000 in fiscal year 2006 to initiate this project.

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

This bill is related to Senate Bill 601 which, in addition to providing funding for other NMHU programs, would also appropriate \$433,100 for the FWRI.

## **OTHER SUBSTANTIVE ISSUES**

NMHU indicates that the New Mexico FWRI is a new statewide environmental research and education coalition. Hosted by NMHU, the institute's two-fold mission is: (1) to foster collaboration among government agencies, academic and research institutions, land managers, and the interested public for the restoration and sustainable use of New Mexico's forest and water resources, and (2) to disseminate the work beyond New Mexico's borders for the benefit of global ecology and the state economy.

The Energy, Minerals and Natural Resources Department reports that the institutes' mission is complementary to the Forestry Division's mission of providing for healthy forests and watersheds in New Mexico. The division's performance will be enhanced because the institute will ensure all stakeholders and levels of government have access to the best scientific information available to implement collaborative ecosystem restoration treatments in the most effective and efficient manner. The institute at NMHU will be an important partner with the Forestry Division as the N.M. Forest and Watershed Health Plan is implemented using a collaborative approach.

The Forestry Division also notes that Northern Arizona University, Colorado State University and NMHU are developing forest restoration institutes in each of the three states pursuant to PL 108-317, signed into law in October, 2004. The respective states have signed a charter to ensure tri-state collaboration. States will be represented by their institutes' directors, their state foresters and a representative of each state's governor. The purposes of the non-regulatory institutes are to bring the unique strengths of the member universities individually, collectively and in partnership with other institutions to help support land managers and their collaborators working to achieve comprehensive ecological restoration treatments on the ground. The institutes will also assure ecological restoration treatments are effective and efficient. They will develop, translate and transfer practical operation-oriented scientific knowledge to land managers, community groups and others who cooperate in the design and implementation of ecosystem restoration treatments. State funding will be valuable in matching limited initial federal funding.

**POSSIBLE QUESTIONS**

What source of revenue is NMHU using to initiate the institute in fiscal year 2006?

DKE/mt