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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/10/2007

SPONSOR Garcia, MJ LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Hispanic Farmers & Ranchers of America SB 447

ANALYST Moser

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$195.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to: HB 285 and SB 235

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

NM Department of Higher Education (HED)

NM Department of Agriculture (NMDA)

### SUMMARY

#### Synopsis of Bill

Senate Bill 447 appropriates \$195,000 from the general fund to the New Mexico department of agriculture (NMDA) to pay for marketing specialists, an administrative assistant, travel, and office expenses for the Hispanic Farmers and Ranchers of America, Inc. (Hispanic farmers and ranchers).

### FISCAL IMPLICATIONS

The appropriation of \$195,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the general fund.

**SIGNIFICANT ISSUES**

NMDA indicates that the Hispanic farmers and ranchers have developed a business plan and are currently working to create a producer cooperative. The Hispanic farmers and ranchers have worked with over 75 small producers to establish market share for onions, lettuce, cabbage, sweet corn, melons, and other crops.

HED further points out that in 2005, a HFRA business plan was developed. One goal highlighted in this plan is to compete with agricultural markets outside of New Mexico, across the nation and in Canada. Some of the agricultural products HFRA aims to market include chile, lettuce, watermelon, cantaloupe, sweet corn, pecans, and onions. Recent climate change and severe flooding in southern New Mexico has resulted in a shortage of onions due to storage limitations. The price of white jumbo onions, for example has nearly doubled in price within the last year. The work of HFRA assists in maintaining the inventory and marketing capabilities in order to meet agricultural needs throughout the country and for neighboring countries to the north and south. This in effect would support local economies of small farmers and ranchers - the makeup of American communities and businesses critical to the State of New Mexico.

HED further points out that this request was not included in the department's recommendation for FY08.

GM/csd