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## FISCAL IMPACT REPORT

**SPONSOR** Papen **ORIGINAL DATE** 3/06/07 **HB** \_\_\_\_\_  
**LAST UPDATED** 3/11/07

**SHORT TITLE** Alternative Uses of Dairy Biomass **SB** SJM 57/aSFI

**ANALYST** Leger

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
 Dairy Producers of New Mexico

### SUMMARY

#### Synopsis of SFI Amendment

Senate Floor Amendment makes a technical correction. Intent and substance of the bill remain unchanged.

#### Synopsis of Original Bill

Senate Joint Memorial 57 requests the Energy, Minerals and Natural Resources Department, the New Mexico Department of Agriculture, New Mexico State University and New Mexico Dairy Farmers to cooperate to investigate the possibility of alternative uses of dairy biomass for environmentally friendly products such as plastic, building materials or other products.

### FISCAL IMPLICATIONS

NFI

## **SIGNIFICANT ISSUES**

SJM 57 would bring together the necessary departments to discuss alternatives for dairy biomass. The joint memorial states:

- New Mexico dairy farmers produce a natural biomass;
- Dairy farmers are the first true conservationists;
- Dairy farmers are in need of additional funding sources to sustain their enterprises;
- Dairy farmers desire to find other alternatives for their biomass.

SJM 57 further states it be resolved by the Legislature of the state of New Mexico that the Energy, Minerals and Natural Resources Department, the New Mexico Department of Agriculture, New Mexico State University and New Mexico Dairy Farmers be requested to cooperate to investigate the possibility of alternative uses of dairy biomass for environmentally friendly products such as plastic, building materials or other products. Copies of this memorial are to be transmitted to all agencies involved.

## **OTHER SUBSTANTIVE ISSUES**

According to Dairy Producers of NM the dairy community in New Mexico is the largest cash-producing agricultural commodity in the state with an economic impact estimated at \$2.1 billion annually. They work closely with environmental advisors and local, state and federal environmental regulators to ensure that the natural waste is used in good way, however, the NM producers recognize this natural biomass could be used in alternative methods. The New Mexico dairy farmers in the Pecos Valley have already started a dairy biomass cooperative. This cooperative will use the biomass for energy. But there are other alternative methods that could use the biomass for other environmentally friendly products such as plastic, building materials or other products. Not much is known at this time, but the desire to learn more is there. This joint memorial will pull together the necessary departments and the dairy farmers to see what else would be feasible for this natural material. It's important to look at other alternatives for dairy farmers, for they are the first environmentalist, they recycle almost everything on their farms and this byproduct should be another source of income to the farm

JL/nt