

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (www.nmlegis.gov). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 01/30/13

SPONSOR Ezzell LAST UPDATED _____ HJM 20

SHORT TITLE Assistance to Farms that Grow Chile SB _____

ANALYST Hartzler-Toon

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SJM13 Encourage Farms that Grow Chile

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Department of Agriculture (NMDA)

Tourism Department (Tourism)

New Mexico Economic Development Department (EDD)

SUMMARY

Synopsis of Bill

House Joint Memorial 20 requests

(1) NMDA, Tourism, EDD and New Mexico State University collaborate to provide assistance to encourage the development of farms and companies that grow, process, sell, and serve New Mexico chile peppers and chile pepper products and

(2) that this group provide a report to the appropriate interim legislative committee on the future viability of the New Mexico chile industry and make recommendations in support of the industry.

FISCAL IMPLICATIONS

There are no direct fiscal implications in HJM20.

SIGNIFICANT ISSUES

The NMDA offered a list of current activities in support of New Mexico's chile industry:

- Provides staff support and expertise to wholesalers and retailers (including growers, packer/shippers, processors, grocery stores, food service suppliers, and restaurants) of New Mexico chile to conduct promotional campaigns.
- Offers the NEW MEXICO--Grown with Tradition® and NEW MEXICO--Taste the Tradition® brand to be used on product packaging, promotional materials, and advertisements.
- Administers and enforces the New Mexico Chile Advertising Act.
- Provides support to the New Mexico chile commission as mandated by the Commodity Commission Act.
- Other chile projects funded through NMDA include:
 - Exploring new strategies in green chile market development and promotion,
 - Protecting and maintaining part of New Mexico's heritage through preserving landrace chile varieties,
 - Promoting New Mexico processors and growers of chile and chile products to the food and beverage industry,
 - Supporting industry participation in international produce tradeshow, and
 - Evaluating and developing a chile certification program.

The Tourism Department noted the importance of the chile industry to New Mexico and offered its support to work with the other agencies in keeping with the Tourism Department's strategic plan.

ADMINISTRATIVE IMPLICATIONS

The Tourism Department requested further specificity and direction in the type of assistance described in the memorial. The NMDA notes that the memorial provides an additional opportunity to collaborate with other agencies and all parties to assess the future viability of the state's chile industry.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HJM20 duplicates SJM13.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Agencies will work to promote this industry in their own ways and without a formal mechanism to report to the Legislature on recommendations for the industry.

THT/bm