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FISCAL IMPACT REPORT

ORIGINAL DATE 03/10/09
 SPONSOR HAFC LAST UPDATED 03/16/09 HB 85/HAFC
 SHORT TITLE Land Grant Support Act SB _____
 ANALYST Aubel

APPROPRIATION* (dollars in thousands)

	Appropriation	Recurring or Non-Rec	Fund Affected
	FY09-FY11		
Change in Authorization For Prior Appropriation	\$200.0	Nonrecurring	General Fund
Council	From FY12: \$5.0-\$75.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

*Change in use of a prior authorization of \$200 thousand from Laws 2008, Chapter 92, Section 50, Subsection 8 is a nonrecurring funding source. This program would require a recurring funding source beyond FY11, ranging from an estimated \$5 thousand to \$75 thousand. See Fiscal Implications.

SOURCES OF INFORMATION

LFC Files

Responses Received From (for Original Bill)

Local Government Division (LGD) of the Department of Finance and Administration

SUMMARY

Synopsis of Bill

The House Appropriation and Finance Committee Substitute for House Bill 85 would enact the Land Grant Support Act by creating a Land Grant Council (Council) administratively attached to the Department of Finance and Administration. The Council is to establish a land grant support program to provide advice and assistance to land grants and to serve as a liaison between land grants and the federal, state and local government. The Council may hire staff and contract for services to carry out these purposes. The five members of the council would be appointed by the governor for staggered four year terms from the boards of directors of land grants and would meet a minimum of four times a year. The bill defines the powers and duties of the Council and instructs the Council to report to the governor and the Legislature by December 1 of each year on the state of land grants in New Mexico and the activities of the Council for that year.

FISCAL IMPLICATIONS

The bill changes the use of a prior appropriation by directing that the unexpended balance of the \$200 thousand general fund appropriation to the Department of Finance and Administration in Laws 2008, Chapter 92, Section 50, Subsection 8 relating to land grant facilitates and infrastructure be appropriated for expenditure in FY09 through FY11 for the following purposes:

- \$50 thousand to DFA to provide technical assistance to land grants, and
- \$150 thousand to the Council to carry out the duties imposed by the purpose of the Land Grant Support Act.

According to DFA, the original appropriation had an encumbrance that was released last week, leaving the entire balance of \$200 thousand unexpended. The original appropriation was a governor initiative and, according to DFA, the purpose of this bill is alignment with that initiative.

Although this funding source is nonrecurring, the ongoing need to fund this program is recurring. Members are entitled to receive per diem and mileage in accordance with the provisions of the Per Diem and Mileage Act. The estimated range is from \$5 thousand for per diem and mileage only to \$75 thousand to carry out the functions of the council.

SIGNIFICANT ISSUES

HB 85 specifies the powers and duties of the Land Grant Council to be carried out through its staff or contract agents as follows.

The Council may:

- Apply for and accept any public or private grants, gifts or donations for the benefit of the land grant support program, the council or land grants in general or particular;
- Assist land grants in all areas of fiscal and programmatic management, including planning, economic development and infrastructure development;
- Establish cooperative purchasing capabilities;
- Perform special studies and undertake surveys of interest;
- Serve as fiscal agent and administrator for federal and state grants and other funding; and
- Facilitate or enter into agreements with state and federal agencies on behalf of land grants
- Enter into contracts to carry out the proposes of the land Grant Support Act; and
- Provide other assistance to land grants.

The Council shall:

- Facilitate the exchange of experience and advice among land grants;
- Serve as a liaison between land grants and federal, state and local agencies;
- Promote cooperation between land grants and assist in coordination of land grant programs;
- Provide board development opportunities and technical assistance to the governing boards of land grants;
- Provide short- and long-range planning assistance to land grants;
- Conduct various training sessions;

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- Disseminate information to relevant federal, state and local agencies on land grant issues and activities;
- Develop and promote federal legislation for an appropriate Congressional response to longstanding community land grant claims in New Mexico; and
- Review state and federal policies, plans and legislation affecting land grants in New Mexico.

The Council shall meet at least quarterly. Meetings shall be called by the Chairperson of the Council or at the request of at least here members of the Council.

The bill requires that the Council report to the governor and the Legislature by December 1 of each year on the state of land grants in New Mexico and the activities of the Council for that year.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The land grant entities will continue to operate on their own without any assistance.

POSSIBLE QUESTIONS

1. Will the bill cover land grants that are corporations?
2. What are the issues the land grants are facing that require expertise and assistance?

MA/mt:svb