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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/04/09  
 LAST UPDATED 03/13/09    HB 295/aHBIC

SPONSOR Martinez, R.

SHORT TITLE New Mexico-Sonora Commission Act    SB \_\_\_\_\_

ANALYST Lucero

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY09	FY10	FY11	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>		\$0.01	\$0.01	\$0.03	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Attorney General's Office (AGO)  
 Regulation and Licensing Department  
 Economic Development Department (EDD)

### SUMMARY

#### Synopsis of HBIC Amendment

House Business and Industry Committee (HBIC) amendment to House Bill 295 deletes that section of bill which identifies the purpose of the bill.

#### Synopsis of Original Bill

House Bill 295 proposes to enact the New Mexico-Sonora Commission Act. The Act establishes a framework in which New Mexico and the state of Sonora, Mexico can work to develop mutually beneficial programs to resolve challenges in both states including economic development, and open lines of communication between public and private sector leaders that would be mutually beneficial to both states.

The Act creates the New Mexico-Sonora Commission which would be administratively attached to the Economic Development Department (EDD). The members of the commission include the governor of New Mexico, secretary of EDD, secretary of Tourism, other officials and no more than nine members of the public appointed by the governor. Members of the commission representing Sonora shall be appointed or assigned according to regulations and procedures governing commissions in Sonora. Members of the commission shall receive per diem and mileage.

## **FISCAL IMPLICATIONS**

According to the December 2008 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$293 million, or 2.6 percent, less than the FY09 appropriation. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

The bill does not provide an appropriation or identify a monetary method to support the commission. EDD reports that the commission will be supported from its Office of Mexican Affairs' program operating budget.

## **SIGNIFICANT ISSUES**

The Attorney General's Office notes that except as to possible issues of public safety to be considered by the commission, this measure has no impact on this agency.

## **TECHNICAL ISSUES**

On page 2, line 5, "state" should be capitalized.

## **OTHER SUBSTANTIVE ISSUES**

According to Section 9-15-30 NMSA 1978, the duties of the Office of Mexican Affairs (OMA) seem to duplicate many of the provisions of the New Mexico-Sonora Commission Act. Specifically, the statute states that OMA shall be responsible for conducting and coordinating the state's relations with the Republic of Mexico and the state of Chihuahua and shall promote New Mexico products and services in Mexico. The division is created to coordinate activities of the department, the tourism department, the cultural affairs department, the department of transportation, the department of health, the department of environment, the department of public safety, the New Mexico-Chihuahua commission, the border authority and the joint border research institute at New Mexico state university as those activities relate to improving New Mexico-Mexico relations and trade and encouraging or funding appropriate border development.

Additionally, the border governor's conference provides an opportunity to accomplish many of the same aspects of this Act.

## **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

According to EDD, New Mexico would miss an opportunity to attract tourism, trade, and foreign direct investment from affluent Sonoran visitors and business community. In addition, public safety concerns on our mutual border would remain unaddressed.