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FISCAL IMPACT REPORT

SPONSOR: King DATE TYPED: 02/12/01 HB 617
 SHORT TITLE: Permanent Farmers' Market Site in Santa Fe SB _____
 ANALYST: Padilla

APPROPRIATION

| Appropriation Contained | | Estimated Additional Impact | | Recurring or Non-Rec | Fund Affected |
|-------------------------|----------|-----------------------------|------|----------------------|---------------|
| FY01 | FY02 | FY01 | FY02 | | |
| | \$ 105.0 | | | Recurring | General Fund |

(Parenthesis () Indicate Expenditure Decreases)

Duplicates Senate Bill 330.

Companion to House Capital Outlay Request 8 and Senate Capital Outlay Request 350, which each provide \$500.0 for planning, designing, and constructing an outdoor farmers' market plaza in Santa Fe.

Relates to House Bill 65 and Senate Bill 66, which each appropriate \$45.0 to the New Mexico Department of Agriculture to promote farmers' markets statewide.

SOURCES OF INFORMATION

LFC files

SUMMARY

Synopsis of Bill

House Bill 617 appropriates \$105.0 from the general fund to the Local Government Division of the Department of Finance and Administration for the purpose of providing funds for programming and development for a permanent farmers' market in Santa Fe.

Significant Issues

The Friends of the Farmers' Market, the organization planning the permanent farmers' market in Santa Fe, is a private, not-for-profit entity. Because the appropriation made by this bill would directly benefit the organization, the bill may violate the anti-donation clause of the New Mexico Constitution.

FISCAL IMPLICATIONS

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Although intended as a non-recurring appropriation, the appropriation of \$105.0 contained in this bill should be considered a recurring expense to the general fund. The Friends of the Farmers' Market intends to use most of the appropriation for ongoing operating expenses related to programming, marketing and research, which are all considered recurring costs. The farmers' market is currently not receiving any grant funding to help cover these operating costs.

Any unexpended or unencumbered balance remaining at the end of fiscal year 2002 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

The Department of Finance and Administration will not receive any resources to administer this funding.

RELATIONSHIP

As noted above, there are two capital outlay requests totaling \$1 million for the Santa Fe farmers' market. These funds have been requested to plan, design and construct the farmers' market plaza in the Santa Fe railyard. Friends of the Farmers' Market has a long-term lease on railyard property with the city of Santa Fe and has received a \$700,000 grant from the U.S. Department of Housing and Urban Development. The new farmers' market plaza is expected to be completed in 2003.

OTHER SUBSTANTIVE ISSUES

The Friends of the Farmers' Market has previously received over \$390.0 in private foundation funding for planning of the Santa Fe farmers' market.

LP/njw