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FISCAL IMPACT REPORT

SPONSOR: Araggon DATE TYPED: 2/7/03 HB _____

SHORT TITLE: Expand Small Business Services SB 462

ANALYST: L. Baca

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$500.0			Recurring	GF

(Parenthesis () Indicate Expenditure Decreases)

Identical to HB 463

Relates to SB 200

Relates to Appropriation for the University of New Mexico in the General Appropriation Act

SOURCES OF INFORMATION

Responses Received From

Economic Development Department (EDD)
Commission on Higher Education (CHE)

SUMMARY

Synopsis of Bill

Senate Bill 462 appropriates \$500.0 from the general fund to the Board of Regents of the University of New Mexico to collaborate with the Barelás Job Opportunity Center to: expand their services to small businesses and workforce programs; create a statewide business certification program; expand small business mentorship programs; and to implement a long distance learning program for rural New Mexico. The appropriation is contingent on certification from UNM's Continuing Education Division and acquisition of a 10% match in funds or in-kind services from private sources.

Significant Issues

There is a possible duplication of services with the Small Business Development Centers

(SMBDC) located throughout the state, the community development program in the Economic Development Department and the New Mexico Rural Development Response Council's "Rural Readiness Program."

FISCAL IMPLICATIONS

The appropriation of \$500.0 contained in this bill is an expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2004 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

The CHE reports SB 462 would add one more research/public service program to the current list of approximately 115 projects. CHE policy requires that each of these projects undergo a thorough evaluation once every four years to be eligible for continued funding.

DUPLICATION, RELATIONSHIP

SB 462 duplicates HB 463, Small Business Assistance.

HB 463 relates to SB 200, NM Small Business Development Center, which appropriates \$3.1 million to the CHE to expand the activities of the SMBDC throughout the state.

OTHER SUBSTANTIVE ISSUES

This request was not included in UNM's budget request to the UNM Board of Regents, and thus was not included in the list of priority projects submitted by UNM to the CHE for review.

The CHE suggests the following language for all new recurring higher education programs and expansion of current programs (assuming that funding will continue beyond 2002-2003):

"The institution receiving the appropriation in this bill submit a program evaluation to the Legislative Finance Committee and the Commission on higher Education by August 2005 detailing the benefits to the State of New Mexico from having implemented this program over a three period."

LRB/yr