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FISCAL IMPACT REPORT

SPONSOR Salazar DATE TYPED 2/7/04 HB 438

SHORT TITLE Expand Job Creation Programs SB _____

ANALYST Gilbert

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$2,500.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to: \$2.5 million Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Economic Development Department (EDD)

NM Department of Labor (DOL)

SUMMARY

Synopsis of Bill

House Bill 443 appropriates \$2.5 million from the general fund to the Economic Development Department (EDD) to support innovative and effective job creation programs statewide.

FISCAL IMPLICATIONS

The appropriation of \$2,500.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall revert to the general fund.

The appropriations act contains a \$2.5 million appropriation and 23 FTE's to the EDD for *an economic development program* is to assist communities in preparing for their role in the new economy, *focusing on high-quality job creation and improved infrastructure.*

ADMINISTRATIVE IMPLICATIONS

According to the EDD, the additional funds will enable employment services to expand the job service functions and improve across all job placement performance standards. It would provide greater opportunity to work with businesses and training providers in creating innovative job placement and training for the public.

OTHER SUBSTANTIVE ISSUES

The EDD stated that the added funding in this bill would boost revenues to the employment services programs whose funding has remained flat for several years.

RLG/lg