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FISCAL IMPACT REPORT

ORIGINAL DATE 3/14/2007

SPONSOR Foley LAST UPDATED _____ HM 106

SHORT TITLE NM Credit Unions Real Solutions Program SB _____

ANALYST Schuss

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

House Memorial 106 requests support for New Mexico Credit Unions participating in the REAL Solutions program to offer affordable savings and borrowing opportunities, commending the Credit Unions that participate in the REAL Solutions program.

SIGNIFICANT ISSUES

House Memorial 106 states that financial literacy, improved personal financial management and creditworthiness help provide an avenue to personal financial stability and improve the financial and economic well-being of New Mexico communities. Many New Mexicans with poor credit histories are excluded from affordable savings and borrowing opportunities and, instead, turn to high-cost, short-term lending practices that perpetuate a dangerous cycle of debt. Credit Unions around New Mexico are working to provide New Mexicans with programs to keep members financially solvent and out of the cycle of predatory lending through a program called REAL Solutions.

REAL Solutions is a promising statewide initiative to help New Mexicans build financially strong, self-supporting families and communities by offering affordable alternatives to high-cost financial products and services. Credit Unions around New Mexico have committed to REAL

House Memorial 106 – Page 2

Solutions and rededicated themselves to the principles upon which they were founded, including service to members and values placed on people, not profits.

The House of Representatives of the State of New Mexico requests that New Mexico Credit Unions be commended for participation in the REAL Solutions program and for helping to improve the financial viability of New Mexico families. HM 106 also requests that the House of Representatives support credit unions' efforts to provide financial literacy programs and affordable alternatives to high-cost financial products and services

BS/mt