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FISCAL IMPACT REPORT

	ORIGINAL DATE 02/10/11		
SPONSOR	Garcia, T.	LAST UPDATED	HB 236
	Springer Economic Development Services		
SHORT TITLE	Appropriations	SB	
		ANALYST	Lucero

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	\$10.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Economic Development Department (EDD)

SUMMARY

Synopsis of Bill

House Bill 236 appropriates ten thousand dollars (\$10,000) from the general fund to the Economic Development Department (EDD) to contract for the provision of economic development services and to implement the master plan for the community of Springer.

FISCAL IMPLICATIONS

The appropriation of ten thousand dollars (\$10,000) contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2012 shall revert to the general fund.

SIGNIFICANT ISSUES

EDD reports that most New Mexico communities, especially rural areas, have suffered from declines in gross receipts revenue and fewer state resources due to economic conditions and budget cuts in many. It is unclear from the bill exactly what the community intends to do with the funds. The community is certainly in need of additional resources and assistance to achieve economic growth. In working with Springer on the community development team, it seems appropriate that a grant writer be hired to identify and write grants for additional funding to achieve their goals.

ADMINISTRATIVE IMPLICATIONS

EDD's Community Development team currently works with people in Springer and will continue to assist in the most effective use of this appropriation – there are no additional administrative implications for EDD.

RELATIONSHIP

Relates to HB 237 “Mora Economic Development Appropriations”

DL/bym