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FISCAL IMPACT REPORT

SPONSOR Martinez ORIGINAL DATE 2/16/2020
LAST UPDATED _____ HB _____
SHORT TITLE Development of New Inventions SM 59
ANALYST Gaussoin

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT

Appropriation		Recurring or Nonrecurring	Fund Affected
FY20	FY21		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

Relates to Senate Memorial 42

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

Senate Memorial 59 requests the Economic Development Department (EDD) study methods to encourage inventions and inventors in New Mexico, and the Energy, Minerals, and Natural Resource Department (EMNRD) contribute to the study of and provide input on methods to encourage development of technology to promote the use of renewable energy resources.

FISCAL IMPLICATIONS

The creation of any work group involves agency staff and resources to develop the workplan, convene the members, and produce a report. In many cases, the agency can absorb these costs; however, work groups and studies divert agency staff and participants from other entities from other, perhaps equally important, responsibilities. Neither EDD nor EMNRD had an opportunity to provide analysis for SM59 but on the nearly identical SM42, neither agency enumerated a fiscal impact.

SIGNIFICANT ISSUES

EDD states the department is currently performing tasks requested in SM59. It notes it provides financial support and assistance to innovators in the following ways:

- (1) New Mexico business startup grants: \$10 thousand to high-growth-potential companies in renewable energy, aerospace, biosciences, and intelligent manufacturing;
- (2) Small business innovation research grants: \$25 thousand to \$100 thousand awards that match federal funding to provide business development assistance, including the costs of intellectual property costs, market research, customer discovery, etc.;
- (3) Collateral Assistance Program: encourages banks and financial institutions to make loans of up to \$250 thousand to small businesses in underserved markets;
- (4) State Trade Expansion Program: funds for businesses trade booths and participation in international trade events.

EDD also notes additional programs exist in the state to assist inventors. These programs include the New Mexico Small Business Assistance Program, which offers inventors the opportunity to work with scientists from Los Alamos National Laboratory or Sandia National.

EMNRD notes that the scope of the requested study is vague. Once the scope of the study is determined, then more accurate administrative and fiscal implications can be understood.

EMNRD also notes that being able to encourage inventors and inventions in New Mexico around renewable energy sources is a laudable goal and could help forward goals around clean energy for the state.

ADMINISTRATIVE IMPLICATIONS

EMNRD notes the department would be contributing to the study, but until there was more information about the scope of the study being done, it is difficult to estimate staff time and involvement that would be required.

RELATIONSHIP

Although SM42 uses different premises (whereas statements), the action requested is essentially identical to SM59.

TECHNICAL ISSUES

SM59 does not specify a recipient for the results of the study

HFG/rl