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FISCAL IMPACT REPORT

SPONSOR: Salazar DATE TYPED: 02/28/03 HB 752

SHORT TITLE: Rio Arriba Mobile Livestock Slaughter Unit SB _____

ANALYST: Padilla

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$65.0			Non-recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB 659

SOURCES OF INFORMATION

LFC Files

Responses Received From
 Department of Finance and Administration
 Department of Agriculture

SUMMARY

Synopsis of Bill

House Bill 752 appropriates \$65.0 from the general fund to DFA's Local Government Division in order to assist the North Central Economic Development District in studying the feasibility of building a certified mobile livestock slaughter unit. The mobile unit would serve small-scale livestock growers in rural Rio Arriba County to enable them to market meat to local markets.

Significant Issues

The NM Department of Agriculture reports that Rio Arriba County has the second-highest number of farms in the state, but is ranked only 20th of all New Mexico counties for cash receipts of all farm commodities.

A similar feasibility study for a meatpacking plant in Clayton was conducted in 2003 and was funded by the Small Business Assistance Program of Sandia National Laboratories. The study was done by the New Mexico Manufacturing Extension Partnership.

FISCAL IMPLICATIONS

The appropriation of \$65.0 contained in this bill is a non-recurring 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

DFA believes this bill assigns responsibilities to the Local Government Division without providing the resources need to carry them out.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This bill duplicates Senate Bill 659.

POSSIBLE QUESTIONS

1. If this project is deemed feasible, how will the North Central Economic Development District fund the project's construction and operations?
2. Since this is an economic development project, shouldn't the appropriation be made to the Economic Development Department?
3. Is there another source of funding for this project, such as the Sandia Small Business Assistance Program?

LP/njw