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## FISCAL IMPACT REPORT

SPONSOR: Altamirano DATE TYPED: 2/5/03 HB \_\_\_\_\_

SHORT TITLE: NM Small Business Development Center SB 200a/SFC

ANALYST: L. Baca

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$3,100.0			Recurring	GF

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

### SOURCES OF INFORMATION

#### Responses Received From

Commission on Higher Education (CHE)  
Department of Economic Development (EDD)

### SUMMARY

#### Synopsis of SFC Amendment

The Senate Finance Committee Amendment amends SB 100 and clarifies the role of the NMSBDC by inserting the following language on page 1:

“The New Mexico Small Business Development Center shall enhance existing core services and implement additional program services by assisting small business with state and federal government procurement, implement a formal business retention and expansion program and establish a statewide small business incubator project associated with institutions of higher education.”

#### Synopsis of Original Bill

Senate Bill 200 appropriates \$3,100.0 from the general fund to the Commission on Higher Education for the New Mexico Small Business Development Center (NMSBDC) located on the campus of Santa Fe Community College (SFCC).

Significant Issues

SB 2, the General Appropriation Act of 2003, includes an appropriation of \$2,944.2 the NMSBDC. Thus, this request for \$3.1 million is a program expansion that, if funded, will increase the NMSBDC' fiscal year 2004 to \$6,044.2 from the fiscal 2003 appropriation of \$2,944.2.

This request for \$3.1million was not included in the NMSBDC's budget request to the SFCC Board of Regents, and thus was not included in the list of priority projects submitted by SFCC to the Commission on Higher Education for review.

According to the CHE, a \$400,000 proposal for expansion was ranked 2 out of 4 research and public service expansion items submitted to the CHE by SFCC. This program was not recommended for expansion by the CHE.

**FISCAL IMPLICATIONS**

The appropriation of \$3,100.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year shall revert to the general fund.

**OTHER SUBSTANTIVE ISSUES**

The CHE suggests adding the following language for all new recurring higher education programs and expansion of current programs (assuming that funding will continue beyond 2003-2004):

“A plan for a program evaluation, including specific program goals and criteria for assessing program effectiveness, shall be submitted to the Legislative Finance Committee and the Commission on Higher Education by October 1, 2004. An assessment of the program will be completed prior to June 30, 2005, and submitted to the Legislative Finance Committee and the Commission on Higher Education.”

**POSSIBLE QUESTIONS**

1. Was this request submitted to the Board Of Regents of SFCC ?
2. Should the appropriation be made to SFCC instead of CHE ??

LB/njw