

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

ORIGINAL DATE 1/26/06

SPONSOR Wirth, P. LAST UPDATED \_\_\_\_\_ HB 262

SHORT TITLE Small Business Creation, Event and Website SB \_\_\_\_\_

ANALYST Earnest

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
NFI	\$200.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY06	FY07	FY08	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>	NFI	(\$0.1)	(\$0.1)	(\$0.1)	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From

Economic Development Department (EDD)

### SUMMARY

#### Synopsis of Bill

HB 262 appropriates \$200 thousand (\$200,000) from the general fund to the Economic Development Department for a project, event and website dedicated to uncovering the opportunities and impediments to small business creation in North America.

**FISCAL IMPLICATIONS**

The appropriation of \$200 thousand (\$200,000) contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the general fund.

Although difficult to estimate, the Economic Development Department would bear additional operating expenses to carry out the project.

**PERFORMANCE IMPLICATIONS**

EDD indicates that the offices of Mexican Affairs and International Trade could be used to support this initiative. The appropriation for this project would expand the scope of work currently performed by these divisions.

This appropriation would establish a new project in the Economic Development Department that might prove helpful to new or expanding small business in New Mexico.

**ADMINISTRATIVE IMPLICATIONS**

According to EDD, the project would require additional personnel and budget to manage this effort. There would be significant costs incurred after FY08 if the initiative is continued.

Execution of this legislation may require a contractual agreement with an entity outside of the Economic Development Department.

BE/mt