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FISCAL IMPACT REPORT

ORIGINAL DATE 2/3/06

SPONSOR Altamirano LAST UPDATED _____ HB _____

SHORT TITLE Mainstreet Programs SB 166

ANALYST Earnest

APPROPRIATION (dollars in thousands)

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

(Parenthesis () Indicate Expenditure Decreases)

SB 166 is similar to HB 445 and its duplicate, SB 168.
SB 166 relates to SB 265, SB 366, HB 689, and HB 311.

Duplicates Appropriation in the General Appropriation Act

HB2 includes \$300 thousand in new money for the MainStreet program, bringing total MainStreet funding to \$650 thousand.

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY06	FY07	FY08	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		(\$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

Senate Bill 166 appropriates \$200 thousand from the general fund to the Economic Development Department to support MainStreet programs.

FISCAL IMPLICATIONS

The appropriation of \$200 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

The MainStreet Program may need additional administrative assistance with expansion of the program, causing some impact on the operating budget.

SIGNIFICANT ISSUES

Adding communities and activities to the MainStreet program might stimulate local reinvestment and increase revitalization activity. New economic activity could increase tax revenue.

ADMINISTRATIVE IMPLICATIONS

According to EDD, MainStreet staff, covered by the MainStreet base budget, would be assigned to design and coordinate expanded program services, but additional staff would be needed to handle the expansion in program services.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB 166 relates to:

- SB 265 and HB 689, which appropriate money for arts programs in MainStreet communities
- SB 366, SB 168 and HB 445, which appropriate money for the UNM-MainStreet collaboration
- HB 311, which appropriates \$1 million to DFA, Local Government Division to establish a MainStreet revolving loan account.

BE/yr