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FISCAL IMPACT REPORT

ORIGINAL DATE 2/6/06

SPONSOR Altamirano LAST UPDATED _____ HB _____

SHORT TITLE Grant County Economic Development SB 167

ANALYST Hoffmann

APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Non-Rec | Fund Affected |
|---------------|--------|-------------------------|------------------|
| FY06 | FY07 | | |
| | \$50.0 | Recurring | General Fund |
| | | | |

(Parenthesis () Indicate Expenditure Decreases)

No Duplicates.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

Economic Development Department (EDD)

SUMMARY

Synopsis of Bill

Senate Bill 167 appropriates \$50,000 from the general fund to the Board of Regents of Western New Mexico University to contract with a local nonprofit corporation to promote economic development in Silver City and Grant County.

FISCAL IMPLICATIONS

The appropriation of \$50,000 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.

SIGNIFICANT ISSUES

There is no line-item proposal for this in the Executive budget recommendation. The LFC appropriation recommendations include a block grant amount of \$14,700 for Western New Mexico

University's NAFTA Institute.

According to the Higher Education Department, the Silver City Grant County Economic Development (SIGRED) contracts with WNMU to provide Small Business Development services at no cost to entrepreneurs, small businesses and industries throughout the four-county area of Catron, Grant, Hidalgo and Luna. SIGRED is a 501(c) 3 corporation established in 1978, whose purpose is to educate the community about various aspects of economic development.

ADMINISTRATIVE IMPLICATIONS

According to the Higher Education Department, Western New Mexico University houses the New Mexico Small Business Development Center. SIGRED operates its activities out of this office and offers courses in economic and small business development on WNMU campus.

TECHNICAL ISSUES

The Economic Development Department states that there are no technical issues associated with this Legislation. They work closely with economic development organizations in Grant County

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