

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 02/07/11

SPONSOR Garcia, T. LAST UPDATED _____ HB 237

SHORT TITLE Mora Economic Development Appropriations SB _____

ANALYST Lucero

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	\$10.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Economic Development Department (EDD)

SUMMARY

Synopsis of Bill

House Bill 237 appropriates ten thousand dollars (\$10,000) from the general fund to the Economic Development Department (EDD) to support employee training and product development in order to promote economic development in Mora.

FISCAL IMPLICATIONS

The appropriation of ten thousand dollars (\$10,000) contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2012 shall revert to the general fund.

SIGNIFICANT ISSUES

The EDD reports that most New Mexico communities, especially rural areas, have suffered from declines in gross receipts revenue and fewer state resources due to economic conditions and budget cuts in many programs (one example is the loss of cooperative advertising dollars at EDD). Mora has a group of volunteers starting an economic development organization and EDD is working diligently with this dedicated group. Mora is in a remote location and it lacks services and opportunities to maintain its population and improve its economic base. These funds are badly needed in this effort.

According to EDD, Mora intends to apply for an economic development planning grant from New Mexico Finance Authority. The planning process will identify the best uses for these funds to maximize economic growth results for the village. However, Mora may lack the financial resources to enact these programs without this financial assistance.

ADMINISTRATIVE IMPLICATIONS

EDD’s Community Development team currently works with people in Mora and will continue to assist in the most effective use of this appropriation – there are no additional administrative implications for EDD.

RELATIONSHIP

Relates to HB 236 “Springer Economic Development Appropriations”

OTHER SUBSTANTIVE ISSUES

According to the U.S Census Bureau’s Quick Facts, the population of Mora County decreased 4.7 percent between April 1, 2000 and July 1, 2009 compare to statewide growth of 10.5 percent. Median household income in 2008 was \$28,962 compared to a statewide income of \$43,719. Persons below poverty level in 2008 were 23 percent compared to a statewide poverty level of 17 percent.

DL/mew