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## FISCAL IMPACT REPORT

SPONSOR Armstrong, G. ORIGINAL DATE 2/8/19  
 LAST UPDATED \_\_\_\_\_ HB 478

SHORT TITLE NM Tech Rural Economic Development SB \_\_\_\_\_

ANALYST Valenzuela

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY19	FY20		
	\$250.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

New Mexico Higher Education Department (HED)

New Mexico Institute of Mining and Technology (NMIMT)

### SUMMARY

#### Synopsis of Bill

House Bill 478 appropriates \$250 thousand from the general fund to New Mexico Institute of Mining and Technology (NMIMT) for the purpose of supporting rural economic development. Any unexpended or unencumbered balance remaining at the end of FY20 shall revert to the general fund.

### FISCAL IMPLICATIONS

The appropriation of \$250 thousand contained in this bill is a recurring expense to the general fund. While HB478 states unexpended funds at the end of FY20 shall revert to the general fund, colleges and universities do not revert unexpended balances to the state general fund at yearend.

### SIGNIFICANT ISSUES

House Bill 478 supports rural economic development specifically in the Rio Grande corridor, south of Valencia County. This bill was suggested by The Middle Rio Grande Economic Development Association in hopes of kick starting an initiative that promotes economic growth

in rural communities. NMIMT agreed to help implement a plan to carry out this objective. HB478 does not identify a specific goal, or focus, for the proposed rural economic development effort.

**OTHER SUBSTANTIVE ISSUES**

NMIMT did not submit this request to the HED for possible incorporation into its funding recommendation, which is submitted annually to the Legislature and Governor. The NMHED has a formal process for reviewing earmarked budget requests for higher education institutions when developing the NMHED funding recommendation.

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