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FISCAL IMPACT REPORT

SPONSOR:	Robinson	DATE TYPED:	01/27/00	HB	
SHORT TITLE:	Invest in Films Produced in NM			SB	161
				ANALYST:	Eaton

SOURCES OF INFORMATION

State Investment Council (SIC)

SUMMARY

Synopsis of Bill

This bill sets forth that up to 0.5% of the market value of the Severance Tax Permanent Fund (STPF) may be invested in New Mexico film venture capital funds. No more than \$7.5 million shall be invested in any one New Mexico film venture capital fund. The films must be produced wholly or in part, in New Mexico.

FISCAL IMPLICATIONS

While neither the State Investment Council staff nor the venture capital advisors are aware of the existence of any venture funds that focus on investing in film projects, this bill may provide substantial incentive for such funds to be found and/or created. Until that time, there will be no impact the Severance Tax Permanent Fund.

OTHER SUBSTANTIVE ISSUES

The State Investment Council staff has suggested a Venture Capital regulatory change that the upper limit on venture capital investments committed to one fund be raised from \$10 million to \$15 million.

JE/njw