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FISCAL IMPACT REPORT

ORIGINAL DATE 2/13/07

SPONSOR Martinez LAST UPDATED HB

SHORT TITLE Acequia Agricultural Youth Project SB 983

ANALYST Propst

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$50.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

Senate Bill 983 appropriates \$50.0 from the General Fund to DFA to contract with a not-for-profit organization for an acequia agricultural youth project.

FISCAL IMPLICATIONS

The appropriation of \$50.0 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the General Fund.

SIGNIFICANT ISSUES

The Department of Finance and Administration will have direct oversight of the funds and contract through a request for proposal process if more than one organization exists. The appropriation will cover costs associated with an acequia agricultural youth project including but not limited to; supplies, administration, and operational expenses.

ADMINISTRATIVE IMPLICATIONS

DFA will have direct oversight of the funding and ensure that expenditures are made in accordance with the legislative intent. A professional services contract will need to be drafted

and approved by the department.

TECHNICAL ISSUES

DFA reports that this appropriation may violate the anti-donation clause which prohibits the state from making direct grants of aid to entities or persons, despite the need or value of the project, unless the strict requirements of the provision are satisfied.

WEP/csd