

Analyst: Emily Hilla

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
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(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 2/6/25

Bill Number: HB 290

Sponsor: Cates, Chandler, Romero

Short Title: Vibrant Communities Act

Agency Name and Code Number: NM Indian Affairs Dept 60900

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Section II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
\$0	\$0	Na	State General Fund

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
\$0	\$0	\$0	Na	Na

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$0	\$0	\$0	\$0	Na	Na

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(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

This bill creates the **Vibrant Communities Act**, establishing a new program within the **Department of Finance and Administration** to provide funding to eligible nonprofit organizations for public benefit projects.

The bill acknowledges the role of nonprofits in delivering essential services that the state cannot fully support and aims to help them through targeted financial assistance. To qualify, organizations must be **501(c)(3) or 501(c)(12) tax-exempt nonprofits** and submit a detailed annual application outlining their project goals, target populations, expected outcomes, and funding needs.

The department will review applications and recommend projects to the legislature for possible funding. If approved, nonprofits will enter into contracts that include compliance requirements, reporting duties, and conditions for fund repayment if project goals are not met.

The program includes strong oversight, requiring annual reports to the governor and legislature on funding amounts and project outcomes. However, the bill's implementation depends on a constitutional amendment allowing the state to provide public funds to private entities for public purposes.

FISCAL IMPLICATIONS

There are no appropriations under HB 290. There are no fiscal implications for the New Mexico Indian Affairs Department.

SIGNIFICANT ISSUES

The Indian Affairs Department supports funding for tribal communities.

PERFORMANCE IMPLICATIONS

There are no performance implications for the New Mexico Indian Affairs Department.

ADMINISTRATIVE IMPLICATIONS

There are no administrative implications for the New Mexico Indian Affairs Department.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

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TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS