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FISCAL IMPACT REPORT

SPONSOR:	Fidel	DATE TYPED:	01/25/00	HB	
SHORT TITLE:	NM Small Business Development Centers			SB	6
				ANALYST:	Pacheco-Perez

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
	\$ 600.0			Rec	GF

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB164

SOURCES OF INFORMATION

Commission on Higher Education (CHE)

SUMMARY

Synopsis of Bill

This bill appropriates \$600.0 from the general fund to the Commission on Higher Education for the following: \$100.0 for the Small Business Development Centers (SBDC) statewide professional development, staff certification and training expenses; \$200.0 for equipment upgrades, hardware and software and business reference library upgrades; \$150.0 to establish and operate a SBDC in Rio Rancho; \$50.0 to the lead Center in Santa Fe; and \$100.0 for local Center operating needs.

Significant Issues

According to the CHE, professional development and staff certification is now required by the National Association of Small Business Development Centers. Technology and library upgrades would provide high quality service and would assist in meeting the increased workload of local centers. The development of a SBDC in Rio Rancho would serve the needs of the 65,000 population.

FISCAL IMPLICATIONS

The appropriation of \$600.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY01 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

One FTE will be needed to conduct professional development and staff certification. Additional FTE will be needed to staff a new center in Rio Rancho.

CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP

This bill relates to House Bill 164 which provides \$150.0 to establish a SBDC in Taos.

TECHNICAL ISSUES

Funding for the SBDCs flows through the Santa Fe Community College (SFCC) and not the CHE. This bill should be amended to appropriate funds to SFCC.

OTHER SUBSTANTIVE ISSUES

The CHE recommends that the following language be included for all new recurring higher education programs: "The institution receiving the special appropriation in this bill shall submit a program evaluation to the LFC and the CHE by August 1, 2003 detailing the benefits to the State from having this program implemented for a three-year period."

APP/njw