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FISCAL IMPACT REPORT

SPONSOR: Picraux DATE TYPED: 02/13/01 HB 486
 SHORT TITLE: Investment of Venture Capital Standard SB _____
 ANALYST: Eaton

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY01	FY02			
	See Narrative			

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

State Land Office (SLO)
 State Investment Council (SIC)

SUMMARY

Synopsis of Bill

This bill would augment the investment standards portion Venture Capital Investment laws for both the Land Grant Permanent Fund and the Severance Tax Permanent Fund (6-8-21 & 7-27-5.6 respectively). It would direct the State Investment Officer to give consideration to investments when the recipient of the venture capital would locate on state trust lands.

Significant Issues

The State Land Office (SLO) reports that this legislation would encourage a higher percentage of investment of New Mexico's permanent funds in New Mexico. The SLO also report that investment in infrastructure by these businesses on trust lands will increase the value of these lands.

FISCAL IMPLICATIONS

The State Investment Council reported no fiscal impact. The State Land Office report that this bill could have a positive impact on the State Land Office Maintenance Fund because rents on buildings located on trust lands are deposited with the State Land Office.

JBE/prr:ar