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FISCAL IMPACT REPORT

 NSOR: Heaton DATE TYPED: 01/23/02 HB 39

SHORT TITLE: Market NM for Economic Development SB _____

ANALYST: Woodlee

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
	\$1,900.0			Recurring	General Fund

SOURCES OF INFORMATION

Economic Development Department

SUMMARY

Synopsis of Bill

House Bill 39 appropriates \$1,000.0 from the general fund to the Economic Development Department to support the cooperative advertising program. HB 39 also appropriates \$900.0 to the Economic Development Department for general marketing. In addition, the bill amends current statute to allow travel and other expenses related to attracting new business investment into New Mexico communities to be covered by the matching funds provided by the cooperative advertising program.

Significant Issues

The cooperative advertising program is currently funded at \$150.0. This program matches expenditures of communities for advertising directed toward increasing business development within New Mexico communities. Additionally, the current policies of the cooperative advertising program do not allow such expenses as travel to be covered by the matching funds.

The general marketing program of the Economic Development Department is currently funded at \$450.0. This bill would double the amount of funds for economic development marketing, and, according to the agency, would increase communities' ability to partner with the department at trade shows and maximize marketing funds.

FISCAL IMPLICATIONS

The appropriation of \$1,900.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2003 shall revert to the general fund.

MW/ar