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FISCAL IMPACT REPORT

SPONSOR Larranaga DATE TYPED 1/27/04 HB 173

SHORT TITLE Southeast Albuquerque Business Development SB _____

ANALYST Gilbert

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$200.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
Economic Development Department (EDD)

SUMMARY

Synopsis of Bill

House Bill 173 appropriates \$200 thousand from the general fund to the Economic Development Department (EDD) to support and expand business incubation services in southeast Albuquerque, including program development, operating costs, outreach to diverse clientele, development of evaluation tools, and methods to ensure accountability for business incubators.

Significant Issues

According to EDD, the funds will be used to contract for program development and work to assist existing companies in expanding their businesses. The contractor will also oversee and coordinate operations of the business incubator.

EDD received an appropriation of \$200 thousand in fiscal year 2004 for business incubation services in southeast Albuquerque. The department is presently entering into a joint powers agreement with Bernalillo County to issue a request for proposals to contract for related services. To date, there have been no expenditures of this appropriation.

FISCAL IMPLICATIONS

The appropriation of \$200.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2005 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

The EDD will provide fiscal oversight for the \$200.0 appropriation in this bill and existing staff resources are sufficient to support the program.

RLG/lg:yr