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## FISCAL IMPACT REPORT

SPONSOR Altamirano DATE TYPED 2/11/04 HB \_\_\_\_\_

SHORT TITLE Electronic Initiative & Wholesale Trade Show SB 298

ANALYST Baca

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$300.0			Recurring	General Fund

(Parenthesis ( ) Indicate Revenue Decreases)

Duplicates HB 564  
Relates to Appropriation in the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files  
Commission on Higher Education Funding Recommendations for FY05 (CHE)

Response Received From  
New Mexico Department of Agriculture (NMDA)

### SUMMARY

#### Synopsis of Bill

Senate Bill 298 appropriates \$300 thousand from the general fund to the NMDA to continue the existing electronic transaction initiative, the Santa Fe gift market trade show, and consumer awareness for artisan manufacturers and food processors.

#### Significant Issues

The appropriation in this bill is intended for a program called ‘New Mexico’s Own.’ The NMDA reports it has served as fiscal agent for this group since at least 1997 and that the program had received state funding annually through FY03. The program was appropriated \$150 thousand FY02 and again in FY03. The NMDA further reports that:

- The current web site features 50 New Mexico artisan and food manufacturers. This is both a retail and wholesale site allowing purchases to be made by companies nationwide.

- The Santa Fe gift market trade show has been in existence for ten years and features 60-65 New Mexico vendors. This is an important wholesale outlet for the many small scale artisans and food manufacturers.
- Assistance provided includes representation at national trade food and gift shows; trade marts in Dallas and Denver; product promotion, market development, and sales. Most of the companies represented are small scale and receive little notice, much less assistance, from other entities.

### **FISCAL IMPLICATIONS**

The appropriation of \$300 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY05 shall revert to the general fund.

### **OTHER SUBSTANTIVE ISSUES**

In the interest of accountability, the institution receiving the appropriation in this bill shall submit a program evaluation to the Legislative Finance Committee and the Commission on Higher Education by August 2007 detailing the benefits to the State of New Mexico from having implemented this program.

This request was not in the list of priority projects submitted to the Commission on Higher Education for review. Consequently, this request was not included in the Commission's funding recommendations for FY05.

**LB/lg:dm**