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## FISCAL IMPACT REPORT

ORIGINAL DATE 01/24/07

SPONSOR Trujillo LAST UPDATED \_\_\_\_\_ HB 151

SHORT TITLE Immigrant & Minority-Owned Businesses SB \_\_\_\_\_

ANALYST Hanika Ortiz

### APPROPRIATION (dollars in thousands)

| Appropriation |         | Recurring<br>or Non-Rec | Fund<br>Affected |
|---------------|---------|-------------------------|------------------|
| FY07          | FY08    |                         |                  |
|               | \$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 151 appropriates \$200 thousand to the EDD to assist certain small businesses in northern New Mexico in enhancing their growth through personal consultations offered in a bi-lingual format.

### FISCAL IMPLICATIONS

The appropriation of \$200 thousand contained in HB 151 is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the general fund. HB 175 is not part of the Executive Budget Request or in House Bill 2.

### SIGNIFICANT ISSUES

EDD reports minority and immigrant business owners are typically underserved and underrepresented across the state. The appropriation will be utilized by EDD to provide advice to these businesses in order to foster their job growth and economic sustainability.

**PERFORMANCE IMPLICATIONS**

EDD will assess whether the program is successful in creating jobs and economic sustainability through one-one-one meetings with business owners.

**ADMINISTRATIVE IMPLICATIONS**

EDD reports minimal staffing will be required to provide the business consulting necessary to implement the bill.

**TECHNICAL ISSUES**

The bill is unclear regarding which definition will be used in defining a “small business”.

In addition, the bill states in the title assistance will be for businesses in “Santa Fe County”, and in the body of the bill the assistance is for businesses in the “northern New Mexico region”.

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

EDD believes failure to enact HB 151 may continue the trend of historically underserved businesses lacking opportunities that may create jobs and economic growth for their communities.

**POSSIBLE QUESTIONS**

How will underserved small businesses in areas outside of the region stated in the bill access similar services as described?

AHO/nt