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FISCAL IMPACT REPORT

ORIGINAL DATE 1/22/08

SPONSOR King LAST UPDATED _____ HB 163

SHORT TITLE Expand Performance Excellence Training SB _____

ANALYST Earnest

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$300.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates Senate Bill 167

SOURCES OF INFORMATION

LFC Files

Responses Received From
Economic Development Department (EDD)

SUMMARY

Synopsis of Bill

House Bill 163 appropriates \$300 thousand from the general fund to the Economic Development Department to expand performance excellence training, assessment services and assistance to New Mexico businesses and organizations to encourage economic development and prosperity statewide by strengthening competitiveness and improving effectiveness using the Baldrige criteria for performance excellence.

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 fiscal year shall revert to the general fund.

SIGNIFICANT ISSUES

According to EDD, these funds likely would be used to contract with a local non-profit

organization such as Quality New Mexico.

Quality New Mexico administers the New Mexico Quality Awards that are modeled after the Malcolm Baldrige National Quality Awards. The NMQA program assesses and recognizes organizations at three levels: Zia Award for performance excellence, Roadrunner Recognition for progress, and Piñon Recognition for commitment.

The original stated purposes of the award were to:

- promote quality awareness
- recognize quality achievements of U.S companies
- publicize successful quality strategies

According to the Baldrige National Quality Program, a program of the National Institute of Standards and Technology, “the Baldrige Criteria for Performance Excellence provide a systems perspective for understanding performance management. They reflect validated, leading-edge management practices against which an organization can measure itself. With their acceptance nationally and internationally as the model for performance excellence, the Criteria represent a common language for communication among organizations for sharing best practices. The Criteria are also the basis for the Malcolm Baldrige National Quality Award process.”

ADMINISTRATIVE IMPLICATIONS

The Economic Development Department would have to administer the contract.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

House Bill 163 is the duplicate of Senate Bill 167.

ANA/jp