

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (www.nmlegis.gov). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 02/26/13

SPONSOR Herrell LAST UPDATED _____ HB 525

SHORT TITLE NM Community Development Council SB _____

ANALYST Boerner

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$0.0	\$0.0			None

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Environment Department (NMED)

Economic Development Department (EDD)

SUMMARY

Synopsis of Bill

House Bill 525 expands the members of the New Mexico Community Development Council (Council) to include a member each from the New Mexico Environment Department (NMED), the Economic Development Department (EDD), and the Lieutenant Governor's Office.

FISCAL IMPLICATIONS

None noted.

SIGNIFICANT ISSUES

The Council has the powers to carry out the provisions of the New Mexico Community Assistance Act, including the power to develop and oversee administration of community assistance programs and to adopt, amend and repeal all regulations necessary to administer and enforce the provisions of the rules of the Act.

In particular, the Council is responsible for allocating grants under the Small Cities Community Development Block Grant (CDBG) program to assist local communities with basic infrastructure and community development needs. The Council and the Local Government Division of the Department of Finance (DFA) provide technical assistance to prospective applicants/grantees. Eligible activities for said grants include: community infrastructure; housing; public facility capital outlay; economic development; emergency; colonias and planning. The economic development category is established to assist communities in the promotion of economic development. Nevertheless, while economic development is a category for funding allocation, the agency is not a member of the Council. This bill seeks to correct this omission.

Further, existing Section 11-6-4 predates the creation of the EDD. At the time when this Section was last amended in 1984, it provided that the Secretary of the Department of Health and the NMED was to be on the Council. Today, the Secretary of the NMED has been serving on the Community Development Council. The amendment proposed by this bill updates the statute to correspond to the current organizational structure of the executive branch.

CEB/svb