

NCNMEDD stated that local governments in their region have requested to expand into affordable and workforce housing, business assistance and broadband projects. To meet this need, NCNMEDD will use this appropriation to hire additional staff to complete the work. NCNMEDD also stated that the timing of this appropriation will ensure they have matching funds for upcoming federal recovery funding, as well as USDA grants that require a non-federal match.

Currently the 7 state planning districts receive an annual appropriation in HB2 of approximately \$693 thousand. This amount is divided equally among the 7 planning districts therefore, NCNMEDD receives \$99 thousand of this appropriation annually.

The Economic Development Department provided the following:

Many of the municipalities in Rio Arriba, Los Alamos, Santa Fe, Taos, Colfax, Mora and San Miguel counties do not have established, formal economic development organizations. Enacting this bill would provide resources to those municipalities that need assistance to conduct critical economic development activities such as strategic planning, marketing, infrastructure development, business recruitment and business retention and expansion.

ADMINISTRATIVE IMPLICATIONS

The Department of Finance and Administration provided the following:

The Local Government Division will generate a grant agreement for NCNMEDD and will administer and process reimbursements for expenditures related to this appropriation as requested by the grantee.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Without this appropriation, NCNMEDD will not be able to hire additional staff to expand into affordable and workforce housing, business assistance and broadband projects and could potentially miss out on federal grants that require a match.

JM/al/sb