

LFC Requester:

**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**

**[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto:billanalysis@dfa.nm.gov)**

*(Analysis must be uploaded as a PDF)*

**SECTION I: GENERAL INFORMATION**

*{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

**Date Prepared:** January 30, 2025 *Check all that apply:*  
**Bill Number:** SB183 Original  Correction   
 Amendment  Substitute

<b>Sponsor:</b>	Elizabeth "Liz" Stefanics and Stefani <u>Lord and Anita Gonzales</u>	<b>Agency Name and Code Number:</b>	Economic Development Department <u>41900</u>
<b>Short Title:</b>	<u>Promoting Economic Development in the Lower Estancia Valley</u>	<b>Person Writing Phone:</b>	<u>Yuriria Morales-Mangone</u> <u>505-479-2308</u> <b>Email</b> <u>yuriria.morales@edd.nm.gov</u>

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
	\$100,000		

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis ( ) indicate revenue decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>						

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
Duplicates/Relates to Appropriation in the General Appropriation Act

### **SECTION III: NARRATIVE**

#### **BILL SUMMARY**

Synopsis: Senate Bill 183. The proposed legislation appropriates \$100,000 from the general fund to the Economic Development Department (EDD) for fiscal year 2026. The funds are designated for contracting with an economic development organization in the Lower Estancia Valley to support business growth, community development, and economic expansion. Any unexpended or unencumbered funds will revert to the general fund at the end of FY26.

#### **FISCAL IMPLICATIONS**

General Fund Impact: The bill directly affects the general fund by reducing its balance by \$100,000 in FY26.

Reversion Clause: Any unused funds will return to the general fund, mitigating long-term financial obligations.

Administrative Costs: The EDD may incur minor administrative costs to oversee the contracting process and ensure compliance with funding conditions. These costs would likely be absorbed within existing agency resources.

#### **SIGNIFICANT ISSUES**

Program Effectiveness: The success of the initiative depends on the capacity of the contracted economic development organization to implement impactful programs.

Sustainability: A one-time appropriation may not be sufficient for long-term economic development, necessitating additional funding in future fiscal years.

#### **PERFORMANCE IMPLICATIONS+**

Measurable Economic Outcomes: The success of the appropriation should be measured by key performance indicators (KPIs) such as:

- New business formations or expansions in the Lower Estancia Valley.
- Job creation and employment rate improvements in the trade area.
- Revenue growth among existing businesses benefiting from economic programs.
- Community engagement levels in civic, social, and cultural programs supported by the funding.

#### **ADMINISTRATIVE IMPLICATIONS**

The Economic Development Department Oversight & Reporting: The Economic Development Department should establish reporting mechanisms to track how the funds are utilized and evaluate program impact. Regular progress reports could ensure transparency and accountability.

Challenges in Execution: Success depends on selecting a competent and experienced economic development organization with the capacity to implement effective initiatives. Clear deliverables and performance benchmarks should be included in the contract.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

### **TECHNICAL ISSUES**

### **OTHER SUBSTANTIVE ISSUES**

**Program Effectiveness:** The success of the initiative depends on the capacity of the contracted economic development organization to implement impactful programs.

**Sustainability:** A one-time appropriation may not be sufficient for long-term economic development, necessitating additional funding in future fiscal years.

**Accountability & Oversight:** Without clear tracking and performance evaluation mechanisms, it may be difficult to assess the actual impact of the funding.

### **ALTERNATIVES**

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

### **AMENDMENTS**