

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 (legis.state.nm.us). 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 2/25/2009

SPONSOR Gonzales LAST UPDATED _____ HJM 63

SHORT TITLE Local Road Construction & Funding Study SB _____

ANALYST Moser

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY09	FY10	FY11	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$135.5		\$135.5	Non-Rec	State Road Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Department of Transportation (NMDOT)

SUMMARY

Synopsis of Bill

House Joint Memorial 63 requests that the Secretary of Transportation convene a task force to study and identify adequate, equitable and sustainable funding mechanisms for local road construction, maintenance and improvement. The bill directs the task force include representation from the New Mexico Association of Counties, the New Mexico Municipal League and Regional and Metropolitan Planning Organizations. The Task Force is to identify and recommend mechanisms to increase the amount of funding in the local government road fund as well as its distribution to counties and municipalities

FISCAL IMPLICATIONS

NMDOT indicates that this study is similar in scope to the initial work of the HM 35 study (2007 Regular Session). NMDOT Cambridge Systematics was hired to perform analysis, coordinate meetings and write a final report for the Legislature. The cost for professional services for coordinating the committee and writing the report was \$135,495. According to the Federal Highway Administration New Mexico Division Office, a study of local road funding mechanisms is unlikely to be eligible for federal aid planning funds. The study would have to be funded with State funds and no appropriation of State funding is identified.

SIGNIFICANT ISSUES

This bill anticipates a study of local road funding mechanisms and distribution of local government road fund. Due to the diversity of local governments in New Mexico from the large urban areas to the rural counties and municipalities, the scope of work would have to be extensive to cover a large variety of funding options.

GM/mc

