

LFC Requester: _____

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION
WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
AgencyAnalysis.nmlegis.gov and email to 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: _____ *Check all that apply:*
Bill Number: H539-341 Original Correction
 Amendment Substitute

Sponsor: Rep. Lara **Agency Name and Code** DFA-341
Short Title: CAMINO REAL REGIONAL UTILITY AUTHORITY **Number:** _____
Person Writing Cecilia Mavrommatis
Phone: 5056905470 **Email:** Cecilia.mavrommatis

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(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
Total		\$129.3	\$126.5	\$255.8	nr/r	gf

(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:

FISCAL IMPLICATIONS

Overall, HB539 will require initial and ongoing costs associated with implementing and maintaining the requirements of the Public Finance Accountability Act, which may offset the benefits of improved financial oversight and accountability of appropriations.

Administrative Costs: the Department of Finance and Administration (DFA), particularly its Local Government Division (LGD) and Financial Controls Division (FCD), will incur costs related to developing and implementing the new procedures, policies, and processing documents required by the act.

Local Government Division: HB539 would require LGD to monitor and maintain compliance in both the most recent single or special audits and budget/finance compliance.

Currently, LGD staffing is suited for reviewing and approving budgets and other financial submittals in support of its responsibilities under § 6-6-2 (K), NMSA 1978.

LGD's budget and finance bureau currently supports 795 local entities (33 Counties, 106 Municipalities, 633 Special Districts, and 23 Tribal Governments).

LGD's budget and finance bureau has 5 FTEs, and its average workload is 137.8 entities per FTE. LGD believes the optimal workload for budget and finance efficiency is 50 entities per individual.

Using LGD's budget and finance bureau as a model, LGD would optimally require 13 FTEs (689 total entities (2024)/ 50 per FTE = 13.78 FTEs) to support the increased workload, technical and educational expertise, and appropriately proscribed internal controls purposed by HB539.

An additional FTE is needed to support an optimal workload for budget and finance bureau within the local government division to maintain reasonable operational assistance for a new special district.

PB75 INFORMATION BELOW

FTE Cost Detail	
Salary	92,560
Benefits	32,084
ISD Rate	864
HCM Assessment Fee	350
Telecom rate	616
On-Boarding Equipment*	2,800

Total Cost per FTE	129,274
FTE's needed	1
Total FTE Cost	129,274

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS