

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:** 2/13/25 *Check all that apply:*  
**Bill Number:** SB134 Original  Correction   
 Amendment  Substitute

**Sponsor:** Munoz **Agency Name and Code:** Municipal League (ML)  
**Short Title:** Natural Disaster Loans & Fund **Number:** \_\_\_\_\_  
**Title:** \_\_\_\_\_ **Person Writing:** Jacob Rowberry  
**Phone:** 505-992-3538 **Email:** jrowberry@nmml.org

**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
<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:

#### **FISCAL IMPLICATIONS**

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

#### **SIGNIFICANT ISSUES**

The Municipal League is supportive of the concept of Senate Bill 134, which provides a new loan source for municipalities impacted by natural disasters, providing much need relief to local communities in the aftermath of natural disasters. Recent natural disasters across the state have highlighted local governments' need for timely funding sources, which SB134 would add to.

A potential clarifying point of SB134 is the provision "that the political subdivision shall repay the loan within thirty days of becoming eligible for reimbursement under the approved federal public assistance." There appears to be a potential disconnect between "becoming eligible for reimbursement" and actually receiving the reimbursement amount. This could lead to instances where the political subdivision is statutorily required to repay the loan based on eligibility approval, but the actual reimbursement amount is not yet available, creating an infeasible financial situation for the political subdivision.

Based on past observations, the FEMA reimbursement process is often long and arduous. As such, the process and timeline from declaring eligibility to actual disbursement of funds by FEMA needs to be taken into consideration to ensure political subdivisions don't face an inadvertent and premature financial liability.

#### **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**