

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: 3/6/2025 *Check all that apply:*
Bill Number: S372-341 Original Correction
 Amendment Substitute

Sponsor: Sen. Sedillo Lopez
Rep. Dixon
Short Title: TELECOMMUNICATION
SURCHARGES
Agency Name and Code: DFA-341
Number: _____
Person Writing: Cecilia Mavrommatis
Phone: 505-690-5470 **Email:** Cecilia.Mavrommatis@dfa.nm.gov

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		
	\$13,100	\$13,100	Recurring	Telecommunications Access Fund

(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		\$1,310	\$1,310	\$2,620	Recurring	Commission
Total		\$393	\$393	\$786	Recurring	Tax and Revenue

(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 372 (SB372) amends the Telecommunications Access Act and changes the imposition of the telecommunications relay service surcharge from thirty-three hundredths percent on the gross amount paid to fifty-one cents (\$.51).

This bill will go into effect July 1, 2025.

FISCAL IMPLICATIONS

Revenue estimate is derived from the fact that a \$.51 surcharge is equivalent to the current 911 surcharge which has collected an annual average of \$13,100,000 over the past 3 years.

The Telecommunications Access Act allows for the Taxation and Revenue Department to use up to 3% for administrative costs and for the Commission to use up to 10% of annual revenue for administrative costs.

According to Commission for the Deaf and Hard of Hearing FY24 Financial Statement.

- FY24 Revenue was 1,084,333
- Fund Balance was \$123,831 as of June 30, 2024

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

TRD and the Commission would both see a drastic increase in funds available for the administration of this Act.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

Telecommunications Relay Service is required by Title IV of the Americans with Disabilities Act (ADA).

ALTERNATIVES

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