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FISCAL IMPACT REPORT

SPONSOR Soules LAST UPDATED _____
ORIGINAL DATE 1/24/2025
BILL
SHORT TITLE Public Office Travel Reimbursement NUMBER Senate Bill 52
ANALYST Hilla

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
LCS		Indeterminate but minimal	Indeterminate but minimal		Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

The U.S. General Administration Department

The U.S. Internal Revenue Services

Agency Analysis Received From

Administration Office of the Courts

General Services Department

Ethics Commission

Agency Analysis was Solicited but Not Received From

Department of Finance and Administration

Attorney General

SUMMARY

Synopsis of Senate Bill 52

Senate Bill 52 (SB52) amends state law concerning legislators and legislative staff (Section 2-1-9 NMSA 1978) and the Per Diem and Mileage Act (Section 10-8-4 NMSA 1978) to change both the reimbursement rate for travel in a private automobile, now set at the Internal Revenue Service (IRS) rate, and the reimbursement rate for travel in a private airplane to the U.S. General Service Administration rate (GSA) rates. The effective date of this bill is July 1, 2025.

FISCAL IMPLICATIONS

Pursuant to Section 10-8-4 NMSA 1978, the current reimbursement rate for travel with a privately owned vehicle for public officers is based on the Internal Revenue Service standard mileage rate, set January 1 each year, and 88 cents per mile for each mile traveled in a privately owned airplane. In January 2025, the Department of Finance and Administration (DFA), which

follows the Internal Revenue Service’s per diem rates (IRS) by statute, set the rate for public officers for 2025 at 70 cents per mile for travel in a privately owned vehicle. The GSA rate noted in the table is 70 cents per mile for this same period. The IRS does not specify rates for airplane mileage. This bill would only impact public officers who travel by private aircraft because the rate would increase from 88 cents per mile to \$1.76 per mile, double the current rate per mile for aircraft travel. Because of the limited volume of private air travel, the change in rates is unlikely to represent a significant fiscal impact.

U.S. General Services Administration 2025 Per Diem Rates

Modes of transportation	Effective/applicability date	Rate per mile
Airplane*	January 1, 2025	\$1.75
If use of privately owned automobile is authorized or if no government-furnished automobile is authorized and available	January 1, 2025	\$0.70
If government-furnished automobile is authorized and available	January 1, 2025	\$0.21
Motorcycle	January 1, 2025	\$0.68

*Airplane nautical miles (NMs) should be converted into statute miles (SMs) or regular miles when submitting a voucher using the formula (1 NM equals 1.15077945 SMs).

SIGNIFICANT ISSUES

The IRS mileage rate of a privately owned vehicle is the same as the GSA mileage rate. For 2025, rates for privately owned airplanes would increase from 88 cents per mile referenced in Section 8, Per Diem and Mileage, to the GSA standard mileage rate of \$1.76 per mile. This bill affects public officers traveling by private plane.

EH/rl/hg