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FISCAL IMPACT REPORT

LAST UPDATED _____

SPONSOR Tobiassen **ORIGINAL DATE** 2/3/2025

BILL

SHORT TITLE Indebtedness Limit of Arroyo Flood Control **NUMBER** Senate Bill 100

ANALYST Hanika-Ortiz

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
	No fiscal impact	No fiscal impact	No fiscal impact			

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis was Solicited but Not Received From

New Mexico Association of Counties

Department of Finance and Administration

Taxation and Revenue Department

SUMMARY

Synopsis of Senate Bill 100

Senate Bill 100 (SB100) allows the Albuquerque Metropolitan Arroyo Flood Control Authority to raise the statutory restrictions for its outstanding indebtedness from \$80 million to \$120 million.

The effective date of this bill is July 1, 2025.

FISCAL IMPLICATIONS

The total outstanding indebtedness for the Albuquerque Metropolitan Arroyo Flood Control Authority is currently statutorily limited to \$80 million. This amount was an increase from \$40 million to \$80 million that was set by the Legislature in 2007. The increase requested is equivalent to that 2007 amount adjusted for inflation. Prior to that, the last increase was in 1997 when the statutory restriction was increased to \$40 million from \$20 million.

Moody's has assigned an "Aaa" rating to the Albuquerque Metropolitan Arroyo Flood Control Authority's general obligation bonds. The Albuquerque Metropolitan Arroyo Flood Control Authority reports that its board has not altered the millage rate for the repayment of outstanding debt in 25 years.

Bond proceeds may also be used as matching funds for federal grants, if available.

SIGNIFICANT ISSUES

Section 72-16-44 NMSA 1978 of the Arroyo Flood Control Act imposes a \$40 million limit on the amount of bonds issued by the Albuquerque Metropolitan Arroyo Flood Control Authority without prior approval from the Legislature. SB100 would increase this limit to \$120 million. The Act requires voter approval of any debt levies issued and limits the amount of time that any series of bonds may be issued to 40 years.

The Albuquerque Metropolitan Arroyo Flood Control Authority uses bond proceeds to finance flood control projects, including drainage infrastructure improvements, stormwater quality enhancements, and maintenance of existing facilities.

OTHER SUBSTANTIVE ISSUES

The Albuquerque Metropolitan Arroyo Flood Control Authority was created back in 1963 by the Legislature with specific responsibility for flooding problems in greater Albuquerque. The Albuquerque Metropolitan Arroyo Flood Control Authority's purpose is to prevent injury or loss of life, and to eliminate or minimize property damage. The Albuquerque Metropolitan Arroyo Flood Control Authority does this by building and maintaining flood control structures which help alleviate the problem.

AHO/hj/SL2