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FISCAL IMPACT REPORT

SPONSOR: Taylor, J. G. DATE TYPED: 03/09/01 HB 158/aHAFC
SHORT TITLE: NMFA Public Project Loans SB _____
ANALYST: Kehoe

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
		See Fiscal Narrative			

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

New Mexico Finance Authority
LFC Files

SUMMARY

Synopsis of HAFC Amendment

House Appropriations & Finance Committee amendments to House Bill 158 requests legislative authority for 76 additional statewide projects to be considered for loans from the Public Project Revolving Fund administered by the NMFA.

Synopsis of Original Bill

House Bill 158 authorizes the New Mexico Finance Authority (NMFA) to make loans for statewide infrastructure projects from the Public Project Revolving Fund (PPRF), and requires eligible entities to certify to the Authority by FY 2004 if they are going to pursue a loan from the PPRF.

Significant Issues

Section 1, Subsections A. through GGGG., lists the 85 projects and 71 state and local entities requiring legislative authority to make loans from the PPRF. Loans from the PPRF benefit eligible entities by allowing them to borrow for infrastructure projects at below market costs, based on terms and conditions established by the NMFA. The authorization provided in House Bill 158 does not guarantee that those projects will receive an NMFA loan. Loans will be made to entities that can identify a sufficient revenue source for repayment of a loan, and are able to meet other financial criteria established by the Authority.

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Section 2, voids legislative authorization if a qualified entity does not notify the Authority by the end of fiscal year 2004 of its desire to continue to pursue a loan from NMFA.

Section 3, contains an emergency clause.

FISCAL IMPLICATIONS

House Bill 158 does not appropriate funds. However, loans made in the interim as a result of passage of House Bill 158 would result in reducing the loan capacity of the Pubic Project Revolving Loan Fund.

CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP

No duplication at this time. However, it should be noted that governmental entities sometimes approach legislators to seek capital outlay funding from other sources for the same projects.

LMK/ar/njw