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FISCAL IMPACT REPORT

SPONSOR:	Leavell	DATE TYPED:	01/28/02	НВ	
SHORT TITLE	E: Petroleum Products I	Loading Fee		SB	232
			ANALY	ST:	Valenzuela

REVENUE

			Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY02		FY03			
		\$1,125.0	\$1,1250.0	Recurring	Corrective Action Fund

(Parenthesis () Indicate Revenue Decreases)

Duplicates HB 117 and SB 259 in part

SOURCES OF INFORMATION

LFC files

Department of Environment (DOE)

SUMMARY

Synopsis of Bill

House Bill 117 amends the Petroleum Products Loading Fee Act to restrict the exemptions of paying the petroleum products loading fee by removing subsection F, which applies to registered Indian tribal distributors. In essence, these distributors would no longer receive the exemption, and thus be required to pay the fee.

Significant Issues

Distributors in two Native American pueblos (Nambe and Santo Domingo) would be impacted by this change. The Department of Environment estimates that 2,500,000 gallons/month of gasoline are distributed to New Mexico gasoline retailers from each of these distributors, for which the petroleum products loading fee is not being paid. Based on this amount, the department estimates that an additional \$1,125.0 will accrue to the state. The revenues from this fee are deposited into the Corrective Action Fund, the proceeds of which are used to remediate contamination at gasoline facilities.

FISCAL IMPLICATIONS

Senate Bill 232 does not carry an appropriation. Enactment of the bill will generate \$1,125.0 for the Corrective Action Fund. The Department of Environment has in place the systems, staff and processes to absorb the collection of the increased revenue.

ADMINISTRATIVE IMPLICATIONS

Enactment of Senate Bill 232 will give the department more leverage to create cooperative agreements with tribal entities on cleanup and revenue issues.

CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP

Senate Bill 232 is duplicated by Senate Bill 232. By eliminating deductions for gas sales on Indian reservations, Senate Bill 259 achieves the same goal by amending Section 7-13-4, which is the cross-reference contained in this bill.

MFV/ar