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FISCAL IMPACT REPORT

ORIGINAL DATE 1/31/08

SPONSOR Ingle LAST UPDATED _____ HB _____

SHORT TITLE Gross Receipts to State Building Bonding Fund SB 298

ANALYST Kehoe, L.

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY08	FY09	FY10		
NFI	(\$720.0)	(\$720.0)	Recurring	General Fund
NFI	\$720.0	\$720.0	Recurring	State Building Bonding Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Finance Authority (NMFA)

General Services Department, Property Control Division (PCD)

SUMMARY

Synopsis of Bill

Senate Bill 298, for the Capitol Building Planning Commission, increases the earmarked distribution of gross receipts tax to the state building bonding fund.

FISCAL IMPLICATIONS

The State Building Bond Act authorizes the New Mexico Finance Authority to issue office building revenue bonds in an amount not to exceed \$100 million for specific projects authorized by the Legislature. The bonds are currently secured by a \$530 thousand monthly distribution of state gross receipt taxes to the state building bonding fund.

Senate Bill 298 increases from \$530 thousand to \$590 thousand the earmarked distribution of gross receipts tax to the state building bonding fund. The proposed gross receipts distribution reduces general fund revenues by \$720 thousand annually beginning on July 1, 2008.

The increased state building bonding capacity will provide the additional funds needed for completing the plan, design, and construction of the capitol campus parking structure intended to provide up to 600 parking spaces.

According to the New Mexico Finance Authority, the following table demonstrates the bonds issued and authorized by the Legislature to date:

	Closing Date	Outstanding Principal
2006 Refunding Bonds	9/5/06	\$25,580,000
2006 PERA Bonds	9/5/06	\$23,190,000
State services laboratory	Pending (4/17/08)	\$27,065,000
Parking structure	Pending (4/17/08)	\$13,430,000
Total		\$89,265,000

The Authority reports bonds authorized by the Legislature in 2007 for the state services laboratory and parking structure were approved by the NMFA Board at its January 17, 2008 meeting. Pricing for each of the bonds is scheduled for March 25, 2008 and March 26, 2008, at which time the final bond structure will be determined.

SIGNIFICANT ISSUES

The Capitol Buildings Planning Commission (CBPC) was created in 1997 for the purpose of studying and planning for long-range facility needs of state government within the Santa Fe locale and was made responsible for continue to update the master plan and report annually to the Legislature. In 2002 and 2007, the CBPC authority was extended to include the Albuquerque locale and greater metropolitan areas of Las Cruces in the overall master plan.

LMK/mt