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FISCAL IMPACT REPORT

ORIGINAL DATE 1/27/2008

SPONSOR Martinez LAST UPDATED HB

SHORT TITLE Spanish & Mexican Land Grant Boundaries SB 422

ANALYST Moser

APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Non-Rec | Fund Affected |
|---------------|------|-------------------------|------------------|
| FY08 | FY09 | | |
| | \$40 | Non-Recurring | General Fund |

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

| | FY08 | FY09 | FY10 | 3 Year Total Cost | Recurring or Non-Rec | Fund Affected |
|--------------|------|------|-------|----------------------|-------------------------|--------------------|
| Total | | | \$4.0 | | Recurring | State Road Fund |

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

NM Department of Transportation (NMDOT)

SUMMARY

Synopsis of Bill

Senate Bill 422 appropriates \$40 thousand from the general Fund to NMDOT for the purpose of placing signs on state highways identifying the boundaries of Spanish and Mexican land grants.

FISCAL IMPLICATIONS

The appropriation of \$40 thousand contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY09 shall revert to the general fund.

SIGNIFICANT ISSUES

NMDOT indicates that the amount appropriated provides for the manufacturing and installation costs of approximately 88 signs. NMDOT is aware of at least 24 Spanish and Mexican land grants that are registered with the New Mexico Secretary of State's Office.

In Fiscal Year 08, NMDOT provided signage for the Mora land grant. Sixteen signs were required at locations where vehicles entered the boundaries of the land grant on state highways. If this number of signs is indicative of the amount required to delineate the entrance boundaries to most other land grants, then the appropriation would allow for signing of approximately 5 land grants.

In addition, the signs were only provided in the direction where vehicles entered the land grant boundaries. Duplicate signs on the opposite side of the roadway were not provided for vehicles exiting the land grant boundaries. If signage is required in both directions, the appropriation will cover the costs to provide signs for 2-3 land grants.

No maintenance costs for the signs have been provided in this bill. Sign faces last approximately 10 years; however, numerous signs are knocked down or vandalized each year and will require replacement. Because the NMDOT prioritizes sign replacement based on safety and regulatory issues, these signs will not be the highest priority for maintenance and replacement in future years.

NMDOT does not have a sign maintenance budget available to cover land grant sign replacements.

The bill does not address the issue of how to prioritize which land grants will be signed with the proposed appropriation. The bill should identify the specific Spanish and Mexican land grant boundaries that are to be signed.

GM/bb