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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/04/09

SPONSOR Egolf LAST UPDATED \_\_\_\_\_ HB 227

SHORT TITLE Increase Airport Facilities Funding Limits SB \_\_\_\_\_

ANALYST Archuleta

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	NFI		Aviation Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Attorney General's Office (AG)  
 General Services Department (GSD)  
 Department of Transportation (DOT)

### SUMMARY

#### Synopsis of Bill

House Bill 227 amends NMSA 1978, Section 64-1-13 of the State Aviation Act regarding the Aviation Division's authority to authorize expenditures from the State Aviation Fund for the construction and maintenance for certain public use airport facilities. The bill enables the Aviation Division to authorize expenditures to facilities that land airplanes with a 1 to 100 seat capacity or a 1 to 25,000 pound maximum payload capacity.

Currently, existing law allows the Aviation Division to authorize expenditures to facilities that land airplanes with a 1 to 60 seat capacity or a 1 to 15,000 pound maximum payload.

### FISCAL IMPLICATIONS

According to DOT, House Bill 227 will not have a fiscal impact on the Aviation Fund, as the fund will continue to provide all available funding to airports eligible for receiving such funds.

**PERFORMANCE IMPLICATIONS**

According to DOT, the advent of the Regional Jet which can seat up to 100 passengers or more, if a community with non primary commercial airports (such as Santa Fe, Roswell, Clovis and others) were to be served with aircraft having a seating capacity of more than 60 seats or 15, 000 pounds of payload, the Aviation Fund could not provide matching funds to that airport. Unless the airport sponsor could provide additional local funds, this would impact the airports' ability to receive additional Federal Aviation Funding reliant on the State matching funds.

**TECHNICAL ISSUES**

Currently, the code authorizes expenditures of money from the State Aviation Fund for construction, development and maintenance of public-use airport facilities, except airports serving regularly scheduled interstate airlines using aircraft with a maximum passenger capacity of more than sixty seats or a maximum payload capacity of more than fifteen thousands pounds, including rural landing fields and airstrips.

**OTHER SUBSTANTIVE ISSUES**

According to DOT, the majority of airlines have abandoned the 19 passenger turboprop aircraft that have served New Mexico communities. Fewer flights with larger regional jet aircraft are more profitable and have become the norm.

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

Any airport receiving service with aircraft exceeding seating 60 or payload in excess of 15,000 pounds will not be eligible to receive state matching funds for airport improvements.

DA/svb