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FISCAL IMPACT REPORT

ORIGINAL DATE 1/29/09

SPONSOR Papen LAST UPDATED _____ HB _____

SHORT TITLE Exempt Border Authority from Property Control SB 56

ANALYST Kehoe

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
NFI	NFI	NFI	(See Narrative)

(Parenthesis () Indicate Expenditure Decreases)

Relates to Senate Bill 55

SOURCES OF INFORMATION

LFC Files

Responses Received From

General Services Department (GSD), Property Control Division (PCD)

Department of Finance and Administration (DFA)

Public Education Department (PED)

New Mexico Border Authority (NMBA)

New Mexico Finance Authority (NMFA)

SUMMARY

Synopsis of Bill

Senate Bill 56, for the New Mexico Finance Authority Oversight Committee, amends the Property Control Act to exempt the New Mexico Border Authority and Regional Education Cooperatives from being under the jurisdiction of the Property Control Division.

FISCAL IMPLICATIONS

Exempting the New Mexico Border Authority from under the jurisdiction of Property Control Division will require the Authority to be responsible for its own management and maintenance of its own properties, including all associated costs. A new office facility, paid for with state funds, is currently under construction on a seven-acre site. The Authority agrees more controls would be required for expansion and new projects and more extensive policies and procedures may require additional staffing, but can be funded with existing operational revenues.

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As cited in Section 22-2B-3-A (1) NMSA 1978, regional education cooperatives are already exempted from Property Control Division jurisdiction. PCD agrees they have never exercised jurisdiction over these entities.

SIGNIFICANT ISSUES

The Property Control Division supports this bill due to the specialized nature of the activities performed by the Authority. In particular, the Authority's work in border development, economic development, trade and commerce, transportation and industrial affairs between the Republic of Mexico and the United States of America.

ADMINISTRATIVE IMPLICATIONS CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Senate Bill 56 relates to House Bill 55 which allows the Border Authority to operate and manage commercial activities rather than Property Control Division which currently authorizes and oversees lease agreements for activities on state properties at Santa Teresa.

LMK/svb