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FISCAL IMPACT REPORT

SPONSOR Lundstrom **ORIGINAL DATE** 01/28/12
LAST UPDATED _____ **HB** 212
SHORT TITLE Gallup I-40 Interchange Project **SB** _____
ANALYST Soderquist

APPROPRIATION (dollars in thousands)

Appropriation			Recurring or Nonrecurring	Fund Affected
FY12	FY13	FY14		
	\$5,000.0		Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to House Bill 4
Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From
Department of Transportation (DOT)

SUMMARY

Synopsis of Bill

House Bill 212 makes an Appropriation of \$5.0 million over fiscal years 2013 and 2014 from the General Fund to the New Mexico Department of Transportation (NMDOT) for phase two of an interchange project at Allison Road and Interstate 40 in Gallup, New Mexico, consisting of planning, design, and construction.

FISCAL IMPLICATIONS

The appropriation of \$5.0 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2014 shall revert to the general fund.

SIGNIFICANT ISSUES

The proposed legislation appropriates funding to continue phase two of planning, design and construction for the project. Phase two would provide engineering, right of way acquisition and construction for the Rio Puerco Bridge which is part of the Allison Road Corridor project.

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Construction of the actual interchange with Interstate 40 – the phase three of the project – would require additional funding.

ADMINISTRATIVE IMPLICATIONS

The Allison Corridor project has been developed by the City of Gallup as a local project without the explicit assistance of NMDOT. HB 212 appropriates the proposed funding directly to NMDOT for development, and the department would manage the transfer of funds and assist in the administration of the project.

ALTERNATIVES

The response from NMDOT suggested that the language in HB 212 would be more effective if it was revised to read “to continue with planning, design, right of way acquisition and construction in preparation of the major construction of necessary to complete the Allison Road Corridor and Interstate 40 project in Gallup.”

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The project as conceived would require alternative sources of funding for completion.

RS/amm:svb