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FISCAL IMPACT REPORT

SPONSOR Munoz **ORIGINAL DATE** 2/8/15
LAST UPDATED 3/16/15 **HB** _____

SHORT TITLE Increase Declared Emergency Appropriations **SB** 401/aSPAC

ANALYST Malone

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY15	FY16		
	\$2,000.0*	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

*Per emergency deduction

SOURCES OF INFORMATION

LFC Files

Responses Received From

Energy, Minerals, and Natural Resources Department (EMNRD)

Homeland Security and Emergency Management Department (HSEMD)

Office of the Attorney General (AGO)

SUMMARY

Synopsis of SPAC Amendment

The Senate Public Affairs Committee Amendment to Senate Bill 401 increases the cap on the Governor's emergency declaration amount to \$2 million. The above table has been amended to account for this change.

Synopsis of Original Bill

Senate Bill 401 amends Section 12-11-24 NMSA 1978 by increasing the cap on the Governor's emergency declaration amount from \$750 thousand to \$1 million.

FISCAL IMPLICATIONS

None noted.

SIGNIFICANT ISSUES

HSEMD notes that with the current cap, multiple supplemental requests have been made to increase the appropriation of funds for emergency declarations based on increased disaster costs and the required non-federal match needed for federal disaster declaration funding.

The EMNRD Forestry Division uses the emergency fund declaration process to fund emergency fire suppression activity statewide. In recent years, the division has requested executive orders totaling well over \$10 million in a fiscal year. Since the executive orders are capped at \$750 thousand, the Governor must issue numerous orders to cover the firefighting needs of the state. For example, in FY13, the Governor issued 14 executive orders for \$10.5 million. The increased amount for each declaration would reduce the number of executive order requests needed each year.

HSEMD also explains that the threshold for federal disaster declarations in New Mexico since 2012 has fluctuated depending on population count and the amount of damage incurred during a disaster. The average is about \$2.6 million dollars.

CEM/aml/je