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## FISCAL IMPACT REPORT

**SPONSOR** Diamond                      **ORIGINAL DATE** 02/09/21  
**LAST UPDATED** 02/16/21      **HB** \_\_\_\_\_  
**SHORT TITLE** Subdivision Opinion Fees                      **SB** 154  
**ANALYST** Nichols

### REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY21	FY22	FY23		
	\$5.0-\$12.0	\$5.0-\$12.0	Recurring	General Fund

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Indian Affairs Department (IAD)  
 Department of Transportation (DOT)  
 Office of the State Engineer (OSE)  
 New Mexico Attorney General (NMAG)

#### No Response Received

New Mexico Counties  
 Department of Environment (DOE)

### SUMMARY

#### Synopsis of Bill

Senate Bill 154 amends the New Mexico Subdivision Act to allow a public agency to charge a subdivider a “reasonable fee” for providing a requested opinion on a preliminary plat, or proposed subdivision.

There is no effective date of this bill. It is assumed that the effective date is 90 days following adjournment of the Legislature.

### FISCAL IMPLICATIONS

SB154 would allow public agencies to charge a reasonable fee for providing opinions related to a preliminary plat for a subdivision. The bill does not define what a reasonable fee should be.

Agencies could see an increase in fee revenue, but it is likely to be modest. OSE reports that it receives approximately 25 requests per year for opinions on subdivision plans, and charging fees could generate between \$5,000 and \$12 thousand annually for the general fund. DOT indicates that it has no plans to charge fees for opinions should SB154 pass.

### **SIGNIFICANT ISSUES**

Per the New Mexico Subdivision Act, the Office of the State Engineer (OSE), the Department of Environment (NMED), and the Department of Transportation (DOT) must provide opinions on proposed subdivision plans to a requesting board of county commissioners within 30 days. OSE provides information on availability of sufficient water, NMED provides opinions on water quality and waste disposal availability, and DOT provides opinions on flood and terrain management.

Under SB154, the agencies could charge a fee to the subdivider. Per statute, the subdivider is the person who creates a subdivision individually or as part of a common promotional plan or any person engaged in the sale, lease or other conveyance of subdivided land.

It is unclear whether the agencies would collect fees directly from the subdivider or whether the subdivider would remit fees to the board of county commissioners, who would then remit the fees to the relevant agency or agencies. OSE notes that delays in fee payments could affect agencies' ability to meet the statutory 30-day deadline to provide an opinion.

Indian nations, tribes, or pueblos can also choose to submit opinions on proposed subdivisions, but are not required to do so.

### **ADMINISTRATIVE IMPLICATIONS**

County commissions and affected agencies may have to set up a process to determine, assess, and collect fees from subdividers.

### **OTHER SUBSTANTIVE ISSUES**

Currently, counties may charge subdividers a fee for reviewing plats. For example, Bernalillo County charges between \$25 and \$200 to review a plat, depending on the size of the subdivision. Fees charged by public agencies would presumably be in addition to fees charged by counties.

AN/sb/rl