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FISCAL IMPACT REPORT

ORIGINAL DATE 03/12/21

SPONSOR SFC LAST UPDATED _____ HB _____

SHORT TITLE Repeal Local Transpo Infrastructure Fund SB 438/SFCS

ANALYST Jorgensen

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY21	FY22	FY23	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI	NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Finance Authority (NMFA)

SUMMARY

Synopsis of Bill

The Senate Finance Committee substitute for Senate Bill 438 (SB438) repeals Section 6-21-6.8 NMSA 1978, eliminating the local transportation infrastructure fund.

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

FISCAL IMPLICATIONS

Since 2012, NMFA has billed the Department of Transportation (NMDOT) on a cost recovery basis and no administrative fee has been charged. Because there is currently no fee and because there are no assets in the fund to be repealed, SB438 has no fiscal impact.

SIGNIFICANT ISSUES

The local transportation infrastructure fund was to receive half of the administrative fee assessed on the NMDOT by the NMFA and use the revenue generated to provide grants to local governments for transportation projects. However, no funds were ever deposited in the fund, and since 2012, NMFA has not charged an administrative fee to NMDOT.