

LFC Requester:

Joseph Simon

**NMDOT BILL ANALYSIS  
2025 REGULAR SESSION**

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

**SECTION I: GENERAL INFORMATION**

{Indicate if analysis is on an original bill, amendment, substitute, or a correction of a previous bill}

Check all that apply:

Date Prepared: 2/26/2025

Original  Amendment

Bill No. HB 2/HAFC Sub

Correction  Substitute

Sponsor: Nathan P. Small and  
Meredith A. Dixon

Agency/ Code: NMDOT - 805 - Budget

Person Writing Analysis: John Tennyson

Short Title General Appropriation Act  
of 2025

Phone: 505-670-2909 Email: John.tennyson  
@dot.nm.gov

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
1,303,653.3		Recurring	State Road Fund, Intra-Agency Transfers, Federal Funds
167,000.0		Nonrecurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: HB 141, SB 229, and SB 442

Duplicates/Relates to Appropriation in the General Appropriation Act: HB 141, SB 229, and SB 442

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
579,513.8			Recurring	Federal Funds
561,895.0			Recurring	State Road Fund
104,838.0			Recurring	Restricted Fund
10,300.0			Recurring	Intra-Agency Transfers
47,106.5			Recurring	Fund Balance
167,000.0			Nonrecurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates, Relates to, Conflicts with, Companion to:

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>						

(Parenthesis ( ) Indicate Expenditure Decreases)

**SECTION III: NARRATIVE**

**BILL SUMMARY**

House Bill 2, as substituted by the House Appropriations and Finance Committee (HB 2/HAFC Sub), appropriates \$1,303.7 billion, including: \$561.9 million from State Road Fund revenues, \$579.5 million from Federal sources, \$10.3 million transfer in from other state agencies, and \$47.1 million of Fund Balance to support the operational activities of NMDOT in FY26. HB 2, as amended, reflects the consensus of the House Transportation, Public Works and Capital Improvements Committee; Legislative Finance Committee; Department of Finance and Administration; and the Department of Transportation, and contains updated performance measures and targets.

HB 2/HAFC Sub appropriates \$167.0 million, including: \$12.0 million for heavy equipment, \$100.0 million for Transportation Project Fund projects, \$50.0 million for wildlife corridors, and \$5,000.0 for rural service grants from General Fund nonrecurring appropriations.

## **FISCAL IMPLICATIONS**

HB 2/HAFC Sub reflects a \$52.4 million increase in spending against FY25 approved operating levels including: \$819.7 million for Project Design and Construction, \$318.1 million for Highway Operations, \$56.5 million for Program Support, and \$109.3 million for Modal. Overall, the amended bill reflects a \$27.1 million dollar decrease in Personal Services and Employee Benefits, \$5.4 million increase in Contractual Services, and a \$19.9 million increase in Other Costs.

HB 2/HAFC Sub appropriates \$167.0 million for Nonrecurring General Fund for purposes specified for heavy equipment, transportation project fund projects, wildlife corridors and rural service grants.

## **SIGNIFICANT ISSUES**

## **PERFORMANCE IMPLICATIONS**

## **ADMINISTRATIVE IMPLICATIONS**

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

HB 141, SB 229, and SB 442.

## **TECHNICAL ISSUES**

HB 2/HAFC Sub reflects a spending level that is supported by projected State Road Fund, Restricted Funding, Federal Revenues, and Intra-Agency Transfers; however, technical adjustments will need to be made in order to balance expenditures with projected revenues.

## **OTHER SUBSTANTIVE ISSUES**

## **ALTERNATIVES**

## **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

NMDOT would not receive an appropriation for FY26.

## **AMENDMENTS**