

**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:** 2/16/2025  
**Original**   X   **Amendment** \_\_\_\_\_ **Bill No.** SB 79  
**Correction** \_\_\_\_\_ **Substitute** \_\_\_\_\_

**Sponsor:** William P. Soules **Agency/ Code:** NMDOT - 805 – Aviation Division  
**Short Title** Unleaded Aviation Fuel Grant Program **Person Writing Analysis:** Daniel R. Moran  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
\$5,000.0	\$0.00	Nonrecurring	Aviation

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act:

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
\$5,000.0	\$0.00	\$0.00	Nonrecurring	Aviation

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates, Relates to, Conflicts with, Companion to:

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

	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	Minimal	None	None	None	N/A	Aviation

(Parenthesis ( ) Indicate Expenditure Decreases)

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Senate Bill 79 (SB 79) would create a competitive grant program in the Department of Transportation (NMDOT) to be administered by the Aviation Division for the sole purpose of installing an unleaded aviation fuel dispensing system or otherwise providing unleaded aviation fuel at an airport. Grant awards would be limited to \$200,0. Under SB 79, only “publicly owned airports, political subdivisions of the state, and Indian nations” may be awarded a grant, and then only if the airport does not already provide unleaded aviation fuel.

This proposed legislation would also create the “unleaded aviation fuel grant program fund” that is appropriated to the NMDOT to carry out the unleaded aviation fuel grant program.

**FISCAL IMPLICATIONS**

The grant award cap is likely insufficient to cover design and construction costs of a single fuel tank. Current costs for aviation fuel farm systems for jet fuel and aviation gas exceed \$2,000.0.

**SIGNIFICANT ISSUES**

The Federal Aviation Administration (FAA) is still in the research phase of publishing guidelines and regulations regarding the design, construction and implementation for infrastructure transition to unleaded fuels.

**PERFORMANCE IMPLICATIONS**

The NMDOT cannot reasonably issue grants for projects without established federal regulations.

**ADMINISTRATIVE IMPLICATIONS**

The proposed legislation will require the development of new administrative rules for management of the program as there are no established federal regulations.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

None identified.

**TECHNICAL ISSUES**

Established design or construction standards for aviation unleaded fuel dispensing systems do not currently exist.

#### **OTHER SUBSTANTIVE ISSUES**

None identified.

#### **ALTERNATIVES**

None identified.

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

The NMDOT will not have specific funding to provide grants for unleaded aviation fuel dispensing systems.

#### **AMENDMENTS**

None suggested.