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FISCAL IMPACT REPORT

ORIGINAL DATE 02/10/09

SPONSOR Maestas LAST UPDATED _____ HB 402

SHORT TITLE Albuquerque Community Bicycle Program SB _____

ANALYST Aubel

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$50.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 281

SOURCES OF INFORMATION

LFC Files

Responses Received From

Local Government Division (LGD) of the Department of Finance and Administration
Child, Youth and Family Department (CYFD)

SUMMARY

Synopsis of Bill

House Bill 402 appropriates \$50 thousand from the general fund to the Local Government Division of the Department of Finance and Administration to contract with a community organization to implement a community bicycle recycling program to restore and repair donated used bicycles for low-income children and families in the west central metropolitan redevelopment area in the City of Albuquerque.

FISCAL IMPLICATIONS

The appropriation of \$50 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY10 shall revert to the general fund.

According to the December 2008 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$293 million, or 2.6 percent, less than the FY09 appropriation. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

SIGNIFICANT ISSUES

According to CYFD, bicycle recycling programs are growing nationally as a cost-effective way to provide low-cost transportation for children and youth, involve them directly in community recycling efforts, and engage them in healthy activities.

RELATIONSHIP

HB 402 relates to house Bill 281, which would appropriate \$25 thousand for a bicycle recycling program for low-income families in City of Albuquerque and the unincorporated areas of the South Valley in Bernalillo County.

ADMINISTRATIVE IMPLICATIONS

The bill directs LGD to contract with an organization to implement the program, which may violate the anti-donation clause if it is a nonprofit. DFA suggests that the City of Albuquerque may be implementing the program, which would be permissible use of state funds. LGD would need to execute the contract and oversee the program.

This bill does not indicate how low-income families would be identified for the program. Depending on how the children and families are selected for participation, CYFD clients may benefit from the program, as they have benefited from similar programs elsewhere in New Mexico.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Bicycles may not be recycled, adding to the landfills. Low-income children and families may not benefit from having low-cost transportation or a healthy activity like bicycling.

MA/mt:svb