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FISCAL IMPACT REPORT

ORIGINAL DATE 02/10/09

SPONSOR Garcia, M.P LAST UPDATED 02/20/09 HB 518

SHORT TITLE New South Valley Municipality SB _____

ANALYST Haug

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$20.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)
Secretary of State (SOS)

SUMMARY

Synopsis of Bill

House Bill 518 appropriates \$20.0 from the general fund to the Department of Finance and Administration, Local Government Division, for the mid-region council of governments (MRCOG) to contract for services to create election districts for the South Valley City Council upon creation of that municipality.

FISCAL IMPLICATIONS

The appropriation of \$20.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2010 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

The DFA states that the Municipal League informed DFA that a city (Albuquerque) is required to vote on a measure for the creation of a separate municipality for any area that is within its own city limits. That is to say that the citizens within the proposed city limits, within the city of Albuquerque and within the county(s) affected would vote for or against becoming their own city.

This appropriation funds (MRCOG) to help create election districts for the South Valley City Council contingent upon creation of that municipality which has not yet been formed and no election has taken place.

GH/mc