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FISCAL IMPACT REPORT

SPONSOR Lundstrum ORIGINAL DATE 02/03/14
 LAST UPDATED _____ HB 264

SHORT TITLE Study Inland Port SB _____

ANALYST Boerner

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY14	FY15		
	\$150.0	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$150.0		\$150.0	Nonrecurring	DFA Special Appropriations

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

House Bill 264 appropriates \$150 thousand dollars from the general fund to the Local Government Division of the Department of Finance and Administration for the northwest New Mexico council of governments to conduct a planning and feasibility study for an inland port.

The study is required to include input by the Navajo chapters of Tsa-Ya-Toh, Manuelito and Rock Springs.

FISCAL IMPLICATIONS

The appropriation of \$150 thousand contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2015 shall revert to the general fund.

According to the study cited below, inland ports have the potential to address a variety of needs if planned and executed in an efficient manner. The benefits are familiar to planners and economic development staff, and include increased property values, jobs creation, reduced transportation costs, and increased tax revenues. (Figliozi, M. and Walton. *C. M. Mega-Containerships and Mega-Container ports in the Gulf of Mexico: A Literature Review and Annotated Bibliography* Study Report 1833-1.May, 1999.)

SIGNIFICANT ISSUES

According to JOC.com, the largest worldwide internet site serving the container shipping and international supply chain industry, inland ports are specialized locations developed to serve the intermodal (involving the use of more than one mode of transport) network. Ordinarily located along railroad lines, inland ports offer intermodal transfer facilities and frequently international trade processing and other services. They may be linked to specific seaports. Distribution centers and other warehousing are generally collocated with inland ports, even on site.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The study proposed in the bill will not be conducted as described.

CB/jl