

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website ([www.nmlegis.gov](http://www.nmlegis.gov)) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

**ORIGINAL DATE** 1/25/16  
**SPONSOR** Smith **LAST UPDATED** \_\_\_\_\_ **HB** \_\_\_\_\_

**SHORT TITLE** General Appropriation Act of 2016 **SB** 158

**ANALYST** Lucero

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	FY17		
	\$6,449,623.6	Recurring	General Fund
	\$4,046,764.6	Recurring	Other State Funds
	\$458,329.5	Recurring	Internal Service/Inter-Agency Transfers
	\$7,818,246.3	Recurring	Federal Funds
\$107,548.8		Nonrecurring	General Fund
\$48,351.0		Nonrecurring	Other State Funds
\$2,583.6		Nonrecurring	Internal Service/Inter-Agency Transfers
\$268,793.1		Nonrecurring	Federal Funds

(Parenthesis ( ) Indicate Expenditure Decreases)

Senate Bill 158 conflicts with House Bill 2 which represents the executive recommendation for funding operations of state government and relates with House Bill 1 (the “Feed Bill”) which funds the operations of most legislative agencies.

### SOURCES OF INFORMATION

LFC Files

### SUMMARY

Senate Bill 158 appropriates money from the general fund, other revenue, internal services funds/interagency transfers, and federal funds for FY17, except as otherwise specifically stated in the bill, for the operation of state agencies, higher education and public schools.

Recurring general fund appropriations total \$6.45 billion an increase of \$230.8 million, or 3.7 percent, over the previous General Appropriation Act (GAA) while leaving reserves at 8.0 percent. However, \$77.6 million, for compensation increases, is a contingent appropriation.

Notable spending increases include increased Medicaid and incarceration costs, funding to address uncompetitive salary structure, replace nonrecurring revenues in agency operating budgets, and additional funding to improve public and higher educational outcomes.

Nonrecurring general fund appropriations for special, supplemental, and deficiency items totaled \$197.3 million, including \$107.5 million from the general fund and \$89.8 million from other revenues. A significant portion of the funding, \$114.3 million, is to supplement a projected shortfall for Medicaid expenses, including \$33 million from the general fund. Other notable appropriations include \$5 million from the general fund for the Job Training Incentive Program (JTIP); \$3.9 million from the general fund for the Department of Public Safety to address departmental priorities; \$5.5 million for the Department of Health to comply with a settlement agreement, including \$4 million from the general fund; and \$2 million from the general fund to support school districts experiencing shortfalls

Section 1, Short Title (page 1);

Section 2, Definitions (pages 1 - 3);

Section 3, General Provisions (pages 3 – 4)

Section 4, Fiscal Year 2017 Appropriations (pages 5 - 170);

Section 5 Special Appropriations (pages 170 - 177);

Section 6, Supplemental and Deficiency Appropriations (pages 177 - 181);

Section 7, Data Processing Appropriations (pages 181 - 184);

Section 8, Compensation Appropriations (pages 184 - 186);

Section 9, Severability (page 186).

## FISCAL IMPLICATIONS

	General Fund	Other State Funds	Internal Service Funds/ InterAgency Trnsfrs	Federal Funds	Total
Legislative	\$ 4,418.3	\$ -	\$ -	\$ -	\$ 4,418.3
Judicial	\$ 282,896.5	\$ 22,549.1	\$ 9,806.8	\$ 2,536.7	\$ 317,789.1
General Control	\$ 136,546.2	\$ 1,481,978.5	\$ 49,660.5	\$ 14,215.1	\$ 1,682,400.3
Commerce and Industry	\$ 54,615.6	\$ 70,771.8	\$ 21,303.1	\$ 3,533.3	\$ 150,223.8
Ag, Energy & Ntrl Res	\$ 72,367.0	\$ 94,570.2	\$ 12,742.9	\$ 36,047.7	\$ 215,727.8
Health, Hospitals & Human Svcs	\$ 1,731,919.1	\$ 327,682.6	\$ 304,179.0	\$ 6,186,814.2	\$ 8,550,594.9
Public Safety	\$ 432,627.4	\$ 38,646.8	\$ 12,780.6	\$ 53,501.1	\$ 537,555.9
Transportation	\$ -	\$ 456,875.2	\$ -	\$ 408,919.8	\$ 865,795.0
Other Education	\$ 132,750.9	\$ 27,707.0	\$ 3,536.0	\$ 31,573.4	\$ 195,567.3
Higher Education	\$ 856,817.3	\$ 1,524,483.4	\$ 44,320.6	\$ 666,902.7	\$ 3,092,524.0
Public School Support	\$ 2,667,056.7	\$ 1,500.0	\$ -	\$ 414,202.3	\$ 3,082,759.0
Compensation Appropriation *	\$ 77,608.6				\$ 77,608.6
<b>Total Recurring</b>	<b>\$ 6,449,623.6</b>	<b>\$ 4,046,764.6</b>	<b>\$ 458,329.5</b>	<b>\$ 7,818,246.3</b>	<b>\$ 18,772,964.0</b>
Specials	\$ 47,495.2	\$ 3,964.0	\$ 1,550.0	\$ -	\$ 53,009.2
Supplemental & Deficiency	\$ 60,053.6	\$ 1,300.0	\$ 1,033.6	\$ 81,949.7	\$ 144,336.9
Data Processing	\$ -	\$ 43,087.0	\$ -	\$ 28,360.0	\$ 71,447.0
<b>Total Nonrecurring</b>	<b>\$ 107,548.8</b>	<b>\$ 48,351.0</b>	<b>\$ 2,583.6</b>	<b>\$ 110,309.7</b>	<b>\$ 268,793.1</b>

\* Contingent Appropriation

Unless otherwise indicated in the bill, appropriations from the general fund revert to the general fund at the end of FY17, or unless otherwise indicated or provided by law. Exceptions include higher education institutions and public schools.

DL/jo