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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/6/16  
 SPONSOR Pinto LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Northwest NM Road Improvements SB 265

ANALYST Malone

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	FY17		
	\$500.0	Nonrecurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

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

	FY16	FY17	FY18	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		\$500.0	\$0.0	\$500.0	Nonrecurring	DFA Special Appropriations

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

### SUMMARY

#### Synopsis of Bill

Senate Bill 265 appropriates \$500 thousand of general fund to the Local Government Division of the Department of Finance and Administration (LGD of DFA) to fund improvements to and drainage of McKinley county road 37 between state highway 491 and Red Willow farm.

### FISCAL IMPLICATIONS

The \$500 thousand general fund appropriation contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY17 will revert to the general fund.

**ADMINISTRATIVE IMPLICATIONS**

Each year new special appropriations are added for the LGD to administer. The agency is concerned that LGD will struggle to meet its statutory duties and overall mission if its resources are directed towards numerous small special projects.

**ALTERNATIVES**

McKinley could consider applying for a Community Development Block Grant for this project. CDBG funding is capped at \$500 thousand.

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