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FISCAL IMPACT REPORT

SPONSOR Martinez ORIGINAL DATE 1/22/18
 LAST UPDATED _____ HB _____

SHORT TITLE Wastewater System Financing SB 43

ANALYST Jorgensen

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY18	FY19		
	(1,100,000)	Nonrecurring	Public Project Revolving Fund
	1,100,000	Nonrecurring	Wastewater Facility Construction Loan Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates HB65

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Finance Authority (NMFA)

SUMMARY

Synopsis of Bill

Senate Bill 43 appropriates \$1.1 million from the Public Project Revolving Fund (PPRF), administered by the New Mexico Finance Authority, to the Wastewater Facility Construction Loan Fund, also known as the Clean Water State Revolving Fund (CWSRF), administered by the New Mexico Environment Department (NMED). The appropriation will be used as the program's state match to a federal capitalization grant provided under the Clean Water Act. The use of the appropriation is consistent with Section 6-21-6.1(C)(1) of the New Mexico Finance Authority Act which delineates eligible appropriations from the PPRF to other funds.

FISCAL IMPLICATIONS

NMFA reports:

The appropriation reduces the amount the PPRF can lend to qualified borrowers; however, this appropriation is an eligible appropriation from PPRF funds as provided by the Act.

SIGNIFICANT ISSUES

The appropriation contained in SB43 provides the required state match, to federal funds for the CWSRF.

NMED reports that at the end of November, 2017, the CWSRF had an unobligated balance of \$83.5 million.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Duplicates HB65.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The state would need to find alternative funds to serve as a state match for the federal capitalization grant provided under the Clean Water Act.

CJ/jle