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FISCAL IMPACT REPORT

SPONSOR: Tripp DATE TYPED: 01/31/03 HB 217

SHORT TITLE: Expand NMFA Definition of Qualified Entity SB _____

ANALYST: L. Kehoe

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Legislative files

SUMMARY

House Bill 217 expands the definition of “qualified entities” to include an acequia association, public improvement district, federally chartered college in New Mexico, or a consortium of Indian entities located wholly or partially in New Mexico; and increases the allowable amount of a loan through the equipment program at any one time from \$500 to \$750.

Significant Issues

The New Mexico Finance Authority (NMFA) may use money in the Public Project Revolving Loan Fund (PPRF) to make loans to assist qualified entities through its Equipment Program for financing public projects subject to specific authorization by law for each project. The Equipment Program is designed to finance the acquisition of equipment for fire protection; law enforcement and protection; computer and data processing; street and road construction and maintenance; emergency medical services; solid waste collection; transfer and disposal; radio and telecommunications; utility system purposes; and for the acquisition, construction and improvement of fire stations.

NMFA is currently authorized to offer loan assistance to the state or any agency or institution of the state or any county, municipality, school district, land grant corporation, intercommunity water or natural gas supply association or corporation, special district, community water associa-

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tion, Indian nation, tribe or pueblo located wholly or partially in New Mexico, including a political subdivision or a wholly-owned enterprise of an Indian nation, tribe or pueblo. House Bill 217 would make an acequia association, public improvement district, federally chartered college in New Mexico, or a consortium of Indian entities located wholly or partially in New Mexico eligible to apply for equipment loans.

House Bill 217 increases the maximum allowable amount of a loan at any one time through the Equipment Program from \$500 to \$750. Due to severe drought conditions in New Mexico, qualified entities are faced with an increased demand for fire equipment. The proposed increase would allow NMFA to better serve clients seeking assistance with protection equipment.

LMK/sb/l