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FISCAL IMPACT REPORT

SPONSOR Fidel DATE TYPED 02/09/04 HB _____

SHORT TITLE Conditions for Unexpended Balance Reversions SB 555

ANALYST Kehoe

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$20,000.0			Non-Recurring	General Fund
	\$4,000.0			Non-Recurring	Miners' Trust Fund
	\$8,000.0			Non-Recurring	Severance Tax Bonds
	\$8,000.0			Non-Recurring	Severance Tax Bonds
	\$640.0			Non-Recurring	See Narrative

(Parenthesis () Indicate Expenditure Decreases)

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY04	FY05			
	\$20,000.0		Non-Recurring	Water Project Fund
	\$8,000.0		Non-Recurring	Public Buildings Repair Fund
	\$8,000.0		Non-Recurring	Public Program Fund
	\$640.0		Non-Recurring	Arts in Public Places Fund

(Parenthesis () Indicate Revenue Decreases)

Duplicates House Bill 558
Relates to House Bill 293

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

Senate Bill 555 establishes conditions for the reversion of unexpended balances; appropriates funding to the Water Project Fund, Miners' Trust Fund, Public Buildings Repair Fund, Public Program Fund and for the Arts in Public Places Fund; and defines "unexpended balance" of funds.

Significant Issues

Senate Bill 555 appropriates \$20 million from the general fund to the Water Project Fund to support water projects in accordance with the provisions of the Water Project Finance Act. The bill appropriates \$4 million from the Miners' Trust Fund to the Board of Trustees of Miners' Colfax Medical Center for improvements at Miners' Colfax Medical Center in Raton. This bill appropriates \$8 million to the Public Buildings Repair Fund for statewide repairs of state-owned facilities, and appropriates \$8 million to the Public Buildings Repair Fund for the Capital Program Fund for statewide repairs of state-owned facilities.

The bill provides that if an appropriation authorized within this bill is not sufficient to complete all the purposes specified, the appropriation may be expended for any portion of the purposes. However, expenditures shall not be made for purposes other than those specified in the appropriation.

All appropriations for projects authorized in this bill are assessed one percent for the Art in Public Places Fund administered by the Department of Cultural Affairs.

The bill establishes reversion dates for the general fund or other fund, including changes to prior funds, as follows:

- For appropriations made to match federal grants, the funds will revert six months after completion of the project;
- For appropriations made to purchase vehicles, heavy equipment, educational technology or equipment or furniture not related to a more inclusive construction or renovation project, the funds will revert at the end of the fiscal year following the fiscal year in which the appropriation was made for the purchases;
- For appropriations made to purchase emergency vehicles or other vehicles that require special equipment, the funds will revert at the end of the fiscal year two years following the fiscal year in which the severance tax bonds were issued for the purchases; and
- For all other projects, appropriations will revert within six months of completion of the project, but no later than the end of fiscal year 2009.

The bill specifies that except for appropriations to the capital program fund, funds will not be used to pay indirect project costs. The capital program fund is for projects administered by the Property Control Division of the General Services Department. For the purpose of capital outlay expenditures, "unexpended balance" is defined as the remainder of an appropriation after reserving for unpaid costs and expenses covered by binding written obligations to third parties.

This bill contains an emergency clause.

FISCAL IMPLICATIONS

The appropriation of \$20 million contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of 2005 and subsequent fiscal years shall revert to the general fund.

The two appropriations of \$8 million each contained in this bill are non-recurring expenses to severance tax capacity. Any unexpended or unencumbered balance remaining at the end of 2009 and subsequent fiscal years shall revert to the Public Buildings Repair Fund.

DUPLICATION and RELATIONSHIP

This bill duplicates House Bill 558 in its entirety. The reversion provisions within this bill duplicate the provisions within House Bill 293.

TECHNICAL ISSUES

The reversion provisions and authorization to fund the Arts in Public Places Fund contained in this bill are generally included within the final capital outlay bill passed by the legislature each year.

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