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Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR	SCORC	ORIGINAL DATE LAST UPDATED		НВ		
SHORT TITI	E Create State Tran	Create State Transit Fund			CS/854/aSFC	
		ANALYST		Moser		

APPROPRIATION (dollars in thousands)

Appropi	riation	Recurring or Non-Rec	Fund Affected
FY07	FY08		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

Duplicates to HB 901

SOURCES OF INFORMATION

LFC Files

Responses Received From

NM Department of Transportation (NMDOT)

SUMMARY

Synopsis of SFC amendment

Senate Finance Committee amendment to Senate Corporations and Transportation Committee Substitute for Senate Bill 854 makes the following changes to the Bill:

- 1. Places the administration of the State Transit Fund to be by the NMDOT rather than the Secretary of the department;
- 2. Establishes criteria for the use of the fund. Specifically, the fund is for "...public transit agencies in rural areas and public transit agencies in New Mexico municipalities..."
- 3. Provides "The fund shall not provide more than 50 percent of the required local match needed by a public transit agency."
- 4. Clarifies that "No money in the fund shall be used for expenses associated with commuter rail"

Synopsis of Original Bill

Senate Corporations and Transportation Committee Substitute for Senate Bill 854 creates the

CS/Senate Bill 854/aSFC – Page 2

State Transit Fund in the State Treasury, to be administered by the Secretary of the NMDOT. Money in the Fund shall be used by the NMDOT for public transit purposes. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall remain in the Fund.

FISCAL IMPLICATIONS

This bill creates a new fund and appears based upon its purpose to be reliant upon continuing appropriations.

This bill creates a new fund and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

SIGNIFICANT ISSUES

This bill provides for the disbursement of funds for public transit purposes. There is no clarification of what this means. It is assumed that this would allow for the provision of assistance to local governments and transit services with matching funds required to obtain federal funding. Additionally, commuter rail also falls within the definition of public transit.

It is recommended that clarification be given as to the intent behind this bill in that appropriations may be required to sustain fund viability in other fiscal years.

GM/nt