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FISCAL IMPACT REPORT

SPONSOR Campos ORIGINAL DATE 1/21/08
LAST UPDATED _____ HB 112
SHORT TITLE Per Diem Rates For Appointed Officials SB _____
ANALYST Propst

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY08	FY09	FY10	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
	0.0	831.6	831.6	1,663.2	Recurring	General Fund
Total	0.0	831.6	831.6	1,663.2		

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

Public Education Department (PED)

SUMMARY

Synopsis of Bill

House Bill 112, Relating to Public Officials; Providing that Per Diem and Mileage Rates for Nonsalaried Elected or Appointed State Officials be Equivalent to Rates Received by members of the Legislature, amends the Per Diem and Mileage Act to provide reimbursement for nonsalaried state public officers at the rate applicable to members of the Legislature in Section 2-1-9 NMSA 1978, subsections B and C. Currently, legislative members follow the Internal Revenue Service standards for per diem and mileage rates.

FISCAL IMPLICATIONS

According to DFA, HB 112 does not provide an appropriation but may increase agency reimbursement costs for travel of nonsalaried state public officers from the current per diem rate of \$95 per day to \$144 per day and the current mileage rate of \$.32 per mile to \$.485 per mile. Based on preliminary budget recommendations for board and commissioner travel, increasing the rates for FY09 will cost approximately \$831.6 thousand. After FY09, agencies should be able to build any increased cost into their budget requests.

SIGNIFICANT ISSUES

DFA notes that the bill provides for higher travel reimbursement rates for nonsalaried state public officers but contains no appropriation to fund the increase. As agency FY09 budgets were

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estimated based on the current rate structure, agencies may experience a budget shortfall or require the redirection of available resources to fund increased travel costs. This could particularly impact small agencies that are governed by commissions that have extensive travel statewide. After FY09, agencies will build any increase into their budget requests.

WEP/bb