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FISCAL IMPACT REPORT

SPONSOR Cote **ORIGINAL DATE** 02/10/14
LAST UPDATED 02/11/14 **HB** 206

SHORT TITLE Dona Ana Transportation Pilot Project **SB** _____

ANALYST Boerner

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY14	FY15		
	\$175.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$175.0	\$175.0	\$350.0	Recurring	DFA Special Appropriations

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION\

LFC Files

Responses Received From
 Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

House Bill 206 appropriates \$175.0 thousand dollars from the general fund to the Local Government Division of the Department of Finance and Administration to support a transportation pilot project in Dona Ana County by the South Central Regional Transit District.

FISCAL IMPLICATIONS

The appropriation of \$175.0 thousand dollars contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2015 shall revert to the general fund.

SIGNIFICANT ISSUES

DFA notes this bill would add or expand bus service on a temporary basis in three major areas, the East Mesa, northern Doña Ana County and the South Valley. It would be the first-ever access to city-to-city public transportation for several of the communities, a number of which struggle with high poverty. Current plans could link Hatch to Las Cruces to Sunland Park and Chaparral, with Truth or Consequences as a possible destination.

PERFORMANCE IMPLICATIONS

Historically, DFA has not had experience and expertise in the area of transportation projects. If DFA was to assume operations of the transportation pilot project in Dona Ana County, as opposed to contracting out for the service, the new responsibilities would require increased capacity related to training, staffing and technical assistance.

DFA Local Government Division will have to draft, release and administer a request for proposals for professional service contracts over \$50 thousand dollars as per the state procurement code.

CB/ds