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FISCAL IMPACT REPORT

SPONSOR Lundstrom **ORIGINAL DATE** 01/14/16
LAST UPDATED _____ **HB** 14

SHORT TITLE McKinley County Bridge Tax Bonds **SB** _____

ANALYST Amacher

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	FY17		
	(\$200.00)	Nonrecurring	Severance Tax Bonds

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue		Recurring or Nonrecurring	Fund Affected
FY16	FY17		
	\$200.00	Nonrecurring	Department of Administration Local Government Division Fund 89200

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files
 NM Department of Transportation (DOT)

SUMMARY

House Bill 14 makes an authorization for an appropriation of \$200,000 from severance tax bonds upon certification by the New Mexico Department of Transportation for planning and design of bridges in McKinley County to ensure public safety as serviced by school buses and emergency vehicles. This bill contains an emergency clause.

FISCAL IMPLICATIONS

The authorization for an appropriation of \$200,000 contained in this bill is a nonrecurring expense from the severance tax bond capacity in state fiscal year 2017. Proceeds from the sale of the bonds are appropriated to the local government division of the department of finance and administration for planning and design of bridges in McKinley county to support school buses and emergency vehicles. Any unexpended or unencumbered balance remaining at the end of the

fiscal year 2019 shall revert to the severance tax bonding fund. In the event the New Mexico Department of Transportation (DOT) does not certify the need for the bonds by the end of fiscal year 2017, this authorization is void.

SIGNIFICANT ISSUES

According to DOT, McKinley county has approximately 40 bridges that cannot support the weight limit of school busses and emergency vehicles. From a recent load rating analysis by DOT, it is estimated that about 30 bridges have inadequate load capacity. The county has identified 20 bridges as being high priority.

The appropriation outlined in HB 14 would support the planning and design to retrofit these bridges to increase their load capacity. Construction costs would then be derived from the final design.

TECHNICAL ISSUES

DOT suggests making technical language clear relating to the bridges' rating versus capacity. Page 2, line 9 strike "are not load rated." And insert "have inadequate load capacity."

JMA/jle/jo