

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website ([www.nmlegis.gov](http://www.nmlegis.gov)) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

	<b>ORIGINAL DATE</b> 3/1/19		
<b>SPONSOR</b>	<u>HTPWC</u>	<b>LAST UPDATED</b>	<b>HB</b> <u>694/HTPWCS</u>
	Public Peace, Health, Safety & Welfare		
<b>SHORT TITLE</b>	<u>Local Gov't Transportation Project Fund</u>	<b>SB</b>	<u></u>
		<b>ANALYST</b>	<u>Jorgensen</u>

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		NFI				

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

### SUMMARY

#### Synopsis of Bill

The House Transportation and Public Works Committee substitute for House Bill 694 creates the local government transportation project fund. The fund would contain appropriations from the Legislature for construction of local government road projects. HB694 requires the secretary of the Department of Transportation (DOT) to submit a proposed list of local government transportation projects identified by the department's metropolitan planning organizations (MPO) and regional transportation planning organizations (RTPO) to the State Transportation Commission (STC). The STC is authorized to provide project grants up to 95 percent of project costs for selected projects, but may grant up to 100 percent of project costs should the local government obtain a hardship waiver from the Department of Finance and Administration.

### FISCAL IMPLICATIONS

Because the HB694 simply creates a fund and does not make an appropriation nor add additional responsibilities to the DOT, this bill has no fiscal impact.

### SIGNIFICANT ISSUES

The fund created by HB694 offers DOT broad discretion and authority in selecting local projects for funding. The bill does not provide portions of funding to be distributed to local governments by type e.g. county or municipality.

The definition of a local government transportation project includes studies, planning, design,

construction, and acquisition of rights-of-way for highways, streets, roadways, bridges, and parking facilities. The definitions does not include transit or trails as eligible to receive local government transportation project funds.

CJ/sb/gb