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## FISCAL IMPACT REPORT

SPONSOR De La Cruz LAST UPDATED \_\_\_\_\_  
ORIGINAL DATE 2/24/2023  
SHORT TITLE SW Albuquerque Road Repairs BILL NUMBER House Bill 473  
ANALYST Simon

### APPROPRIATION\* (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
	\$10,000.0	Nonrecurring (For use in FY24-FY26)	General Fund

Parentheses ( ) indicate expenditure decreases.

\*Amounts reflect most recent analysis of this legislation.

### Sources of Information

LFC Files

#### Responses Received From

Department of Transportation (NMDOT)

#### No Response Received

Department of Finance and Administration (DFA)

## SUMMARY

### Synopsis of House Bill 473

House Bill 473 (HB473) appropriates \$10 million from the general fund to the Department of Finance and Administration (DFA) for expenditure in FY24 through FY26 for use by Bernalillo County to repair roads in Bernalillo County Commission District 2 in Southwest Albuquerque.

This bill does not contain an effective date and, as a result, would go into effect June 16, 2023, (90 days after the Legislature adjourns) if signed into law.

## FISCAL IMPLICATIONS

The appropriation of \$10 million contained in this bill is a nonrecurring expense to the general fund for expenditure in fiscal years 2024, 2025, and 2026. Any unexpended or unencumbered balance remaining in the fund at the end of FY26 shall revert to the general fund.

NMDOT reports the department has no oversight or disbursement obligations over these funds.

## **SIGNIFICANT ISSUES**

The Local Government Division (LGD) provides administrative and technical support to local entities throughout the state. If the bill passes, LGD will administer these funds for use by Bernalillo County. Bernalillo County's District 2 covers the southernmost part of the county. From Interstate 25 west to the county line and east along Kirtland Air Force Base and the Isleta Pueblo; and from Central Avenue/I-40 south, District 2 contains a portion of downtown, the area along the Rio Grande to Broadway, the far South Valley, and the area west of Coors Boulevard to the Rio Puerco.

## **ALTERNATIVES**

In 2019, the Legislature created a new funding source for local government transportation infrastructure. The transportation project fund can cover up to 95 percent of the cost of projects for counties, municipalities, and tribal governments. See Section 67-3-78 NMSA 1978. The fund has a dedicated recurring revenue source from 18.75 percent of the motor vehicle excise tax collected. NMDOT projects revenue of \$51.5 million in FY24, \$52.5 million in FY25, and \$54.5 million in FY26.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

HB473 relates to two bills that would increase revenue for local road projects:

House Bill 321, which would increase the distribution of the motor vehicle excise tax to the transportation project fund to 50 percent, raising an estimated \$87 million per year for the transportation project fund;

Senate Bill 184, which would increase the distribution of the motor vehicle excise tax to transportation project fund to 40 percent, raising an estimated \$59 million per year for the transportation project fund.

JWS/al/ne