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## FISCAL IMPACT REPORT

SPONSOR Pope LAST UPDATED \_\_\_\_\_  
ORIGINAL DATE 01/26/23  
SHORT TITLE Widen Paseo Del Norte BILL NUMBER Senate Bill 122  
ANALYST Hitzman

### APPROPRIATION\* (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
	\$7,000.0	Nonrecurring	General Fund

Parentheses ( ) indicate expenditure decreases.

\*Amounts reflect most recent analysis of this legislation.

### Sources of Information

LFC Files

#### No Response Received

Department of Finance and Administration

Department of Transportation

## SUMMARY

### Synopsis of Senate Bill 122

Senate Bill 122 appropriates \$7 million from the general fund to the Local Government Division of the Department of Finance and Administration for expenditure in fiscal years 2024 and 2025 for the purpose of widening Paseo Del Norte in Albuquerque from two lanes to four lanes.

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.

## FISCAL IMPLICATIONS

The appropriation of \$7 million contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY25 shall revert to the general fund.

## SIGNIFICANT ISSUES

The appropriation spans fiscal years 2024 and 2025; however, the project includes the need to

acquire rights of way, planning, designing, and constructing the road, which could take several years to complete. Capital outlay appropriations for transportation projects typically are appropriated for four years, and every year a number of projects request timeline extensions beyond the initial four-year timeframe. In addition, rising construction costs, supply chain issues, and labor shortages are contributing to project delays, forcing entities to reduce project scope and jeopardizing project completion. According to prior information provided by the Department of Transportation, it can take more than a year from project funding to when a project is put out to bid. Therefore, the appropriation timeline may be inadequate for the departments to achieve the intended road expansion and funding may revert while the project is underway.

## **TECHNICAL ISSUES**

The appropriation may be too limited in terms of timing and a longer timeline might be needed to ensure project completion. Lacking a longer timeline, DFA might need to request reauthorization of the funds in FY25.

JH/rl/hg/mg