LFC Requester:

Emily Hillia

AGENCY BILL ANALYSIS 2024 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

Analysis.nmlegis.gov

{Analysis must be uploaded as a PDF}

SECTION I: GENERAL INFORMATION

[Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill]

Check all that apply:

OriginalxAmendmentCorrectionSubstitute

Date	Jan 20, 2024
Bill No :	SB 49

		Agency I and Cod			
Sponsor:	Sen. Hemphill	Number	: Ind	ian Affai	irs Dept.
Short	Rural Infrastructure Crisis	Person V	Writing	Ray Ta	foya
Title:	Response Act	Phone:	505-699-0911	Email	Ray.tafoya@iad.nm.gov

SECTION II: FISCAL IMPACT

<u>APPROPRIATION</u> (dollars in thousands)

Appropr	iation	Recurring	Fund Affected	
FY24	FY25	or Nonrecurring		
	\$100,000	NonRecurring	General	

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring	Fund
FY24	FY25	FY26	or Nonrecurring	Affected
	\$0		Nonrecurring	

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

<u>Synopsis:</u> Bill proposes creating the Rural Infrastructure Crisis Fund (RICF) which could provide funds to repair or replace critical infrastructure in response to a "crisis event" as defined in the proposed Act.

FISCAL IMPLICATIONS

No direct fiscal implications for IAD. However, if passed and a NM Nation, Pueblo, or Tribe (NPT) submits for and receives funding, such funding will be go to the Tribal Infrastructure Fund Board (TIF Board), which will act as a Fiscal Agent of the funds for the NPT.

SIGNIFICANT ISSUES

NPTs would be eligible for the proposed RICF. Pursuant to Section 5, the Bill proposes to amend the NMSA 1978, § 6-29-5, Tribal Infrastructure Fund Act - Board Duties, to add a Subsection D, stating that the TIF Board shall, "act as the fiscal agent for projects owned or operated by tribes that receive financial assistance pursuant to the [RICF] Act."

PERFORMANCE IMPLICATIONS

None indicated.

ADMINISTRATIVE IMPLICATIONS

If passed and an NPT submits for and receives funding, such funding will go to the TIF Board, acting as a Fiscal Agent of the funds for the NPT. Additionally, IAD financial staff will be required to assist the TIF Board in administering the funds to NPTs.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP None indicated.

TECHNICAL ISSUES None indicated.

OTHER SUBSTANTIVE ISSUES None Indicated

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If not passed, NPTs, along with rural communities in New Mexico, may not have access to

funding to repair or replace critical infrastructure in the event of a crisis.

AMENDMENTS

Recommend language stating that IAD, as opposed to the TIF Board, may administer the funds and enter into Intergovernmental Agreements (IGA) with NPTs qualified to receive the funding under the Act pursuant to DFA Secretary and Local Government Division determination as described in the Act.