

LFC Requester:	Simon
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

AgencyAnalysis.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:
Original **Amendment**
Correction **Substitute**

Date January 29, 2024
Bill No: SB225

Sponsor: Pete Campos
Short Title: State Airplane Fleet Pilots

Agency Name and Code General Services Department - 350
Number: _____
Person Writing James P. Chavez
Phone: (505)6605562 **Email** James.Chavez@gsd.n

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
\$300.0	\$300	Recurring	P609 Fund 417

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		

(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

Synopsis: SB225 makes a three hundred thousand dollars general fund appropriation to the Transportation Services Division of the General Services Department to provide funding for salaries for two pilots for expenditures in FY2024 and subsequent fiscal years. Any unexpended or unencumbered balance at the end of the fiscal year shall not revert to the general fund

FISCAL IMPLICATIONS

Currently the Aviation Services Bureau receives general fund to cover expenditures for two pilots to operate the existing state aircraft. The appropriation in SB225 will allow for the expenditures of two additional pilots needed to operate the newly acquired aircraft. Having additional two pilots available will allow the GSD to fly both aircraft simultaneously.

Adding additional pilots who can fly the new aircraft will create costs saving for agencies such as Department of Health Children’s Medical Services (CMS) who must charter almost half of their flights due to flight conflicts with the current aircraft. Average cost paid by CMS for a charter flight is \$4,500.00 while state aircraft costs are \$1,330.00 reflecting a cost savings of \$3,170.00 per flight. Overnight costs for charter flight services increase to \$8,500.00 while GSD cost will remain at the \$1,330.00.

SIGNIFICANT ISSUES

Failure to fund these positions will require that only one aircraft fly at any given time since two pilots are required to be in the cockpit operating the aircraft.

PERFORMANCE IMPLICATIONS

With the addition of the new aircraft, state agencies will no longer have to pay for as many charter flight services, provided funding is received for additional pilots. Department of Health Children’s Medical Services utilizes charter flights for almost half of the flights for clinics held around the state. They currently average paying charter companies \$4,500.00 for flights that the state aircraft will charge \$1,330.00. Cost savings will average \$3,170.00 per flight.

Having the additional aircraft available for service will allow more agencies to take advantage of this service. Scheduling conflicts with the existing aircraft make it difficult for any entity to utilize this aircraft since it is routinely flying students for the New Mexico School for the Blind and Visually Impaired and over half of CMS clinics.

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Failure to implement SB225 will restrict flight operations to only one aircraft flying at one time due to the requirements that two pilots operate the aircraft. Monies that are being paid to charter flight companies will continue to flow from state budgets at twice the costs if they flew state aircrafts.

AMENDMENTS