

LFC Requester:

Sunny Liu

AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.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}*Date Prepared: 2/3/2026

Check all that apply:

Bill Number: HB261Original Correction Amendment Substitute

Sponsor: Rep. Terrazas, Garratt, Baca, Ramos and Moya

Agency Name
and CodeNM Public School Facilities
Authority - 940

Short

Person Writing

M. Trujillo

Title:

School Activity Buses

Phone:

505-810-2123Email Mtrujillo@nmopsfa.org**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
	3,000.0	Nonrecurring	General Fund

REVENUE (dollars in thousands)

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total				No Fiscal Impact		

(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:

House Bill 261 (HB261) appropriates \$3,000,000 from the general fund to the Public Education Department (PED) for grants to small rural school districts for the purchase of buses for student activities. The expenditures are authorized in HB261 for fiscal year 2027 and any unexpended balances remaining at the end of the fiscal year shall revert to the general fund.

FISCAL IMPLICATIONS

Historically school bus funding has been provided by the public school capital outlay fund (PSCOF). Over the last six years, the legislature has allocated \$61.6 million dollars from the PSCOF to PED for the purchase of school buses statewide. If HB261 is enacted into law, the PSCOF would have an additional \$3,000,000 for traditional public school adequacy standard and system projects.

SIGNIFICANT ISSUES

N/A

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

N/A

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

N/A

AMENDMENTS

N/A