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FISCAL IMPACT REPORT

BILL NUMBER: House Memorial 64

SHORT TITLE: Build Capacity for Capital Outlay Changes

SPONSOR: Abeyta/Lente

LAST ORIGINAL 2/17/26
UPDATE: _____ **DATE:** _____ **ANALYST:** Carswell

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
	No fiscal impact	No fiscal impact	No fiscal impact			

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Relates to House Bills 247, 332 and Senate Bill 240

Sources of Information

LFC Files

SUMMARY

Synopsis of House Memorial 64

House Memorial 64 encourages the Indian Affairs Department (IAD) to increase technical assistance to tribes, nations and pueblos to support the completion of capital outlay projects.

FISCAL IMPLICATIONS

Memorials do not contain appropriations and are not enforceable as state law. The action requested in this memorial is within the normal operations of the agencies involved and is unlikely to result in significant costs.

IAD has five funded positions related to the administration of capital outlay and the tribal infrastructure fund. Currently, only two of those positions are filled. Filling the vacant positions would help the department fulfill the intent of the memorial. Additionally, the department received a \$500 thousand special appropriation for FY26 to provide funding to nations, tribes, and pueblos for comprehensive community planning. About half of the appropriation had been spent as of mid-February and could also aid the department in fulfilling the intent of the memorial.

SIGNIFICANT ISSUES

Since 2022, IAD has been assigned to administer 544 capital outlay projects with appropriations

totaling \$306 million. As of January, roughly \$78 million had been expended, or 16 percent, with the remaining \$226 million unexpended (74 percent).

This expenditure rate is significantly slower than the rate for projects administered by the Department of Finance and Administration (DFA), which administers the largest number of local capital outlay projects. About 1,500 projects have been assigned to DFA since 2022, with appropriations totaling \$838 million, of which 42 percent has been expended.

In addition to capital outlay, IAD administers the tribal infrastructure fund (TIF), which receives an earmarked percentage of senior severance tax bond capacity and makes awards for projects through a criteria-based application process overseen by the Tribal Infrastructure Board. Since 2022, IAD has administered 96 TIF projects totaling \$248.5 million. Of that amount, \$193 million is unexpended (78 percent).

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