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### FISCAL IMPACT REPORT

SPONSOR:	Taylor, J. G.	DATE TYPED:	02/11/00	HB	434
SHORT TITLE:	Public Projects Revolving Fund Grants			SB	
				ANALYST:	Kehoe

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
NFI					

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to

### SOURCES OF INFORMATION

New Mexico Finance Authority (NMFA)

## **SUMMARY**

### Synopsis of Bill

House Bill 434 amends the New Mexico Finance Authority Act to remove NMFA's ability to make grants from the Public Project Revolving Fund, however, preserves the NMFA's ability to make grants from other sources of funds, such as the Water and Wastewater Project Grant Fund created during the 1999 Legislative Session.

### Significant Issues

House Bill 434 includes a statement of policy of the NMFA Board regarding grants from the Public project Revolving Fund. The statement includes language clarifying that projects will not be funded from the PPRF without other sufficient revenues being contemporaneously pledged to the PPRF in order to avoid a negative impact on the financing capacity of the fund.

## **FISCAL IMPLICATIONS**

According to the NMFA, for each dollar "granted" from the PPRF , the capacity of the fund to make loans over a ten-year period of time decreases by three dollar.

LK/sb