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## FISCAL IMPACT REPORT

SPONSOR: Varela DATE TYPED: 2/18/03 HB 534

SHORT TITLE: Expenditure Cap on SHTD Funds SB \_\_\_\_\_

ANALYST: Reynolds-Forte

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			See Narrative	Recurring	Road Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY03	FY04			
		See Narrative	Recurring	Federal

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

Responses Received From

State Highway and Transportation Department  
 Energy Minerals and Natural Resources Department

### SUMMARY

House Bill 534 removes the \$50.0 per fiscal year expenditure cap on state highway and transportation funds that can be expended for purposes of the Public Mass Transportation Act.

HB 534 has a July 1, 2003 effective date.

### FISCAL IMPLICATIONS

HB534 removes the \$50.0 cap that limits the funds State Highway and Transportation Department may spend on the Public Mass Transportation Act. Such funds could be used to leverage additional federal dollars if such funds are available.

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The Appropriations Act for FY04 has appropriated funds based on the current \$50.0 cap. If HB534 were implemented, and the Department wanted to increase funds for this purpose for FY04, funds would need to be transferred from other areas/programs within the Department budget.

**RELATIONSHIP**

Relates to the Appropriation Act for FY04 as noted above.

**OTHER SUBSTANTIVE ISSUES**

The Energy Minerals and Natural Resources Department notes that enactment of HB534 would indirectly assist and support the Energy, Minerals and Natural Resources Department's Energy Conservation and Management Division's Transportation Program and its goals of promoting ridesharing and reducing dependence on foreign oil. Reducing the number of vehicles on New Mexico roads will promote traffic safety and energy efficiency. An added benefit of this legislation is that ride sharing, with the possibility of using alternative fuels, would significantly reduce air pollution and provide support for alternative fuel infrastructure development.

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