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The most recent FIR version (in HTML & Adobe PDF formats) is available on the Legislative Website. The Adobe PDF version includes all attachments, whereas the HTML version does not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

### FISCAL IMPACT REPORT

SPONSOR:	Pinto	DATE TYPED:	2/17/03	HB	
SHORT TITL	E: Highway 666 Impro	vements		SB	608
		ANALYST:		/ST:	Reynolds-Forte

### **APPROPRIATION**

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$145,000.0		See Narrative	Non-Rec	Sev Tax Bonds

(Parenthesis ( ) Indicate Expenditure Decreases)

Conflicts with SB 3

#### SOURCES OF INFORMATION

Responses Received From
State Highway and Transportation Department

### **SUMMARY**

### Synopsis of Bill

Senate Bill 608 authorizes the State Board of Finance to issue and sell \$145 million of severance tax bonds for the purpose of improvement to US Highway 666, including widening the existing two-lanes to four lanes from Tohatchi to Shiprock and from Shiprock to the Colorado state line in McKinley and San Juan counties, and improvements related to safety, drainage and road design.

The State Highway and Transportation Department is to certify when the funds are needed; if the Department has not certified the need by the end of FY05, the authorization is void. Proceeds from the sale of the bonds are appropriated to the State Highway and Transportation Department.

## Significant Issues

This appropriation would allow the department to immediately complete pre-construction activities and begin safety improvements on this route.

## FISCAL IMPLICATIONS

SB 608 appropriates \$145,000.0 from sale of severance tax bonds to the State Highway and Transportation Department for improvements to US Highway 666.

The State Highway and Transportation Department states that currently \$1,000.0 of Federal Funds are available for the preliminary design study. These funds have been used to enter into a cooperative agreement with the Navajo Nation for pre-construction activities. \$7,500.0 of NMSHTD budget resources are also allocated for completing design services for US 666.

## **ADMINISTRATIVE IMPLICATIONS**

<u>Short Term Effect:</u> Requires increased manpower and support equipment utilization for construction activities that are supported by two NMSHTD District Offices

<u>Long Term Effect:</u> Requires substantive Operations and Maintenance Budget increases for two NMSHTD Districts.

### CONFLICT

SB608 conflicts with SB3, which appropriates general funds for this same purpose.

### OTHER SUBSTANTIVE ISSUES

The Department notes that this project requires cooperative interaction between Federal, State, Tribal Governments including right-of-way and utility easement agreements between the NMSHTD and Navajo Nation.

# PRF/yr