

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

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

Long Term Effect: 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