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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/19/06

SPONSOR Sen. Leavell LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Underground Utility Improvements SB 31

ANALYST Earnest

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
\$250.0		Non-Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Regulation Commission (PRC)

### SUMMARY

#### Synopsis of Bill

Senate Bill 31, "An Act Making Appropriations to Improve Communications Infrastructures and Public Safety for Underground Utilities," appropriates \$250 thousand from the General Fund to the Public Regulation Commission for the purpose of implementing a state-wide "811" three-digit calling code for the "call before you dig" program and for associated public awareness and education associated with excavation safety and service reliability of underground utilities and facilities.

### FISCAL IMPLICATIONS

The appropriation of \$250 thousand contained in this bill is a non-recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY2007 shall revert to the General Fund.

There might be minimal recurring costs in future years. At this time, it is not clear who will bear these costs. The recurring expenses for fees range from \$10 to \$15 thousand per year and might be levied upon the PRC or contracting entity.

**SIGNIFICANT ISSUES**

According to the PRC, the 811 three digit number implementation is mandated by the Federal Communications Commission (Docket No 92-105) and must be implemented by April 2007.

Public awareness education is necessary to make the public aware of the new dialing system and is required by federal law (49 CFR 192, 195 and 198) and by NM statutes (NMSA 70-3-11 et seq. and NMSA 62-14-1 et seq.).

**ADMINISTRATIVE IMPLICATIONS**

PRC will oversee the implementation of the three digit numbering system and will execute contracts with private entities, such as the NM One Call Foundation, for the public awareness and training programs. According to the PRC, none of the appropriated funds will be used to cover PRC internal staffing or personnel costs.

**TECHNICAL ISSUES**

The bill does not specify that the appropriation be made to the Pipeline Safety Bureau of the PRC.

**OTHER SUBSTANTIVE ISSUES**

A workgroup has been formed by the PRC (Docket Nos 05-00382-UT and 05-00384-PL) to address technical implementation matters. The workgroup has not yet completed its assignments, but no technical impediments that cannot be easily resolved have been identified.

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

According to the PRC, if funds are not appropriated:

- 1) Possible delay in implementation of the three digit numbering system.
- 2) Lack of public awareness and reduced effectiveness of the three digit system
- 3) Higher probability of excavation damage to underground facilities
- 4) Higher probability of personal injury and property damage

**BE/mt**