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FISCAL IMPACT REPORT

ORIGINAL DATE 01/28/2006

SPONSOR Carraro LAST UPDATED _____ HB _____

SHORT TITLE Dept. Of Transportation Expenditures Cap SB 242

ANALYST Moser

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	(\$320,259.03)	Recurring and Non-recurring	State Road Fund
	(\$77,740.0)	Recurring and Non-recurring	Federal Funds

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
Department of Transportation (DOT)

SUMMARY

Synopsis of Bill

SB 242 sets a \$50 thousand annual limit on the Department of Transportation expenditure of appropriated funds that are not eligible for federal reimbursement for public transit purposes. The provisions of the Bill would take effect immediately if enacted.

FISCAL IMPLICATIONS

SB 242 sets a \$50,000 annual limit on the Department of Transportation expenditure of appropriated funds that are not eligible for federal reimbursement for public transit purposes. Such action would result in termination of:

- the current New Mexico Park and Ride bus service,
- suspension of work on the Rail Runner commuter rail service and
- elimination of committed DOT funding for the Job Access Reverse Commute (JARC) transit program, which would reduce existing transit service provide to transport low income clients to jobs and job training facilities.

The financial impact to the State resulting from the cancellation of these transit services and projects can not be determined at this time. The following table illustrates the amount of federal and state funds associated with each of these programs:

	<u>Federal</u>	<u>State</u>
FY 2006 Funding of New Mexico Park and Ride Service:	\$940,000	\$2.02 million
Current funding of Rail Runner Commuter Rail Service:	\$75 million	\$318.038 million
FY 2006 Funding of JARC Service:	\$1.8 million	\$200,000

SB 242 sets a \$50 thousand annual limit on the Department of Transportation expenditure of appropriated funds that are not eligible for federal reimbursement for public transit purposes.

SIGNIFICANT ISSUES

NMDOT indicates that this bill would result in termination of the current New Mexico Park and Ride bus service, suspension of work on the Rail Runner commuter rail service and elimination of committed DOT funding for the Job Access Reverse Commute transit program, which would reduce existing transit service provide to transport low income clients to jobs and job training facilities. The Park and Ride and Job Access Reverse Commute transit programs deliver services to citizens throughout the state. These programs are subsidized by the department through existing appropriations of state monies in excess of \$50 thousand.

As written this fund would impact those funds that are used as match against federal funds and funds that may have been appropriated previously.

PERFORMANCE IMPLICATIONS

The NMDOT states that the cancellation of transit services and projects that would result from enactment of SB 242 would be in conflict with NMDOT Guiding Principles, found in the department's strategic plan, that commit the NMODT to the development of a multi-modal transportation system for all citizens, which allows travel choices making the most efficient use of the State's transportation infrastructure.

ALTERNATIVES

The language could be modified to exclude those funds appropriated under separate legislation and those funds that are being used for federal match.

GM/mt