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FISCAL IMPACT REPORT

ORIGINAL DATE 2/12/2019

SPONSOR Brown LAST UPDATED _____ HB 361

SHORT TITLE Urgent Need Highway Project Fund SB _____

ANALYST Jorgensen

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY20	FY21		
\$60,000.0		Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY19	FY20	FY21		
	\$60,000.0	-	Nonrecurring	Urgent Need Highway Project Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

No Responses Received

SUMMARY

Synopsis of Bill

House Bill 361 appropriates \$60 million from the general fund to the department of transportation for the purpose of funding urgent need highway projects. Urgent need projects are defined as those that are necessary to improve safety or relieve traffic congestion. HB361 sets eligibility criteria for funding from the urgent need highway project fund (UNHPF). In order for a highway to be eligible for urgent need funding on the basis of safety improvement, a segment of road must experience a 30 percent or greater increase in annual vehicle accidents or traffic fatalities within the past three fiscal years. Eligibility for traffic congestion mitigation requires a segment of highway experience traffic volume exceeding the design safety capacity for an average of four hours or more per day for at least three days per week.

HB361 allows the secretary of transportation to approve eligible projects for UNHPF funds provided that none of the 6 transportation districts shall receive more than 1/6th of the amount of available funding.

FISCAL IMPLICATIONS

The appropriation of \$60 million contained in this bill is a nonrecurring expense to the general fund. Unexpended balances remaining at the end of fiscal year 2020 shall not revert to the general fund but shall remain in the urgent need highway project fund.

SIGNIFICANT ISSUES

HB361 does not define “segment of highway” though it is used as the basis for eligibility calculations. By requiring a segment of highway experience a 30 percent increase in the number of vehicle collisions or traffic fatalities within the three previous fiscal years, the language may be overly broad; there were 359 traffic fatalities on New Mexico roadways in FY18. The state transportation network consists of 30 thousand lane miles or roadway. In many areas of the state, a single fatality would result in a 30 percent or greater increase in fatalities. Conversely, dangerous areas where accidents and/or fatalities are be common but steady may not be eligible due to the lack of an increase in vehicle collisions or fatalities.

TECHNICAL ISSUES

DOT does not have the capacity to gather data necessary to determine if traffic volumes have increased beyond the design safety capacity for an average of four or more hours per day for three or more days per week.

CJ/gb