

LFC Requester: \_\_\_\_\_

**AGENCY BILL ANALYSIS  
2024 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:**

**Analysis.nmlegis.gov**

*{Analysis must be uploaded as a PDF}*

**SECTION I: GENERAL INFORMATION**

*{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

*Check all that apply:*

**Original**     **Amendment**    \_\_\_\_\_  
**Correction**    \_\_\_\_\_ **Substitute**    \_\_\_\_\_

**Date** 1/24/2024

**Bill No:** HB 209

**Sponsor:** S. Herrera; M. Dixon; C. Brown;  
D. Sarinana; K. Ortez  
**Short Title:** REGIONAL COUNCIL FUND

**Agency Name and Code Number:** DFA-Local Government Division:  
341  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>						

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
Duplicates/Relates to Appropriation in the General Appropriation Act

**SECTION III: NARRATIVE**

**BILL SUMMARY**

House Bill 209 (HB209) removes the match requirement for Regional Councils of Planning and Development Districts to receive grants-in-aid from the Department of Finance and Administration (DFA) per the Planning District Act 4-58-1 – 4-58-6 NMSA 1978.

**FISCAL IMPLICATIONS**

**SIGNIFICANT ISSUES**

Under current statute, when applying for a grant-in-aid, every regional council is required to ensure that they have received nonfederal matching funds or services, or both, from local governments or private sources. The amount of these funds or services should be at least equal to the amount of the state grant-in-aid. The matching funds must be in their account before quarterly payments of the state grant-in-aid is made by DFA to the regional council. DFA makes quarterly payments to each of the seven regional councils from the State Planning Districts appropriation in HB2.

Several regional councils rely on membership dues to meet the match requirement. The regional councils provide support to local governments most in need that often have low capacity in rural communities. The local governments do not have the funds to pay high membership dues to the regional council to support their match requirement. The regional councils are then forced to seek funding from other sources which takes time away from their ability to assist local governments succeed. Furthermore, any increase in the regional council's grant-in-aid appropriation would trigger an increase to their match requirement amount creating a greater hardship.

**PERFORMANCE IMPLICATIONS**

**ADMINISTRATIVE IMPLICATIONS**

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Senate Bill 188 (SB188) is a duplicate.

**TECHNICAL ISSUES**

**OTHER SUBSTANTIVE ISSUES**

**ALTERNATIVES**

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

**AMENDMENTS**