

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: SB 126

Sponsor: W. Soules Agency Name and Code: Department of Finance and Administration-341
Short Title: PUBLIC OFFICER REIMBURSEMENT RATES Person Writing: Mark Melhoff
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
n/a	n/a		

(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)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	1.3	1.4	1.5			All

(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

SB 126 cleans up language in 2-1-9 to allow for the reimbursement of mileage rates set by the US GSA for business travel in an automobile or airplane. This bill makes a similar change to 10-8-4 to lock the state mileage rate to the full IRS rate.

FISCAL IMPLICATIONS

Fiscal implications will impact state agencies and local public bodies to the extent that most agencies prior to January 16, 2024, were only allowed to reimburse mileage at 80% of the IRS per NMAC rule. As of January 16, 2024, that rate was increased to 100% through the NMAC rulemaking process. So, the fiscal impact of this change is already being felt by agencies so the enactment of this bill should not have an additional impact.

Based on calendar year 2023 activity, the increase of rate from 80% to 100% would cost the state an extra 1.3M dollars in FY24. As noted above, this has already been enacted via a rule change, so the increase is already being absorbed by state agencies.

It would be impossible for DFA to calculate the impact this will have on local public bodies as they will now be required to pay 100% of the rate as well.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS