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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

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{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

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

Click all that apply:
Original **Amendment**
Correction **Substitute**

Date 2024-02-01
Bill No: SB126

Sponsor: Soules, William P.
Short PUBLIC OFFICER
Title: REIMBURSEMENT

Agency Name and Code NMHED
Number: _____
Person Writing Comes, Douglas
Phone: 5056706478 **Email** douglas.comes@hed.n

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		

N/A	N/A	N/A	N/A	N/A

(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	N/A	N/A	N/A	N/A	N/A	N/A

(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

SB126 amends Section 2-1-9 NMSA 1978 (being Laws 1971, Chapter 1, Section 11, as amended) and Section 10-8-4 NMSA 1978 (being Laws 1963, Chapter 31, Section 3, as amended) to change mileage reimbursement rates for travel in private modes of transport from their current rate systems to rates set by the United States General Services Administration (USGSA). Additionally, the amended sections specify that the rates are set for automobiles and airplanes.

The New Mexico Higher Education Department's (NMHED's) analysis of this bill focuses on the higher education implications of the proposed legislation. Additional insight may be obtained from other agencies' analyses.

FISCAL IMPLICATIONS

There is no appropriation in SB126. This bill changes the standard mileage rate reimbursement for in-state travel by members of the legislature from the rate set by the New Mexico Department of Finance and Administration (NMDFA) pursuant to the Per Diem Mileage Act to the rate set by the United State General Services Administration (USGSA). The bill changes the standard mileage rate reimbursement for public officers or employees from "up to the Internal Revenue Service? standard mileage rate for private automobiles and eighty-eight cents (\$0.88) per mile for private airplanes to the rate set by the USGSA.

As it pertains to the New Mexico Higher Education Department's (NMHED) personnel, the Internal Revenue Service rate and USGSA private automobile rates have mirrored each other since at least January 1, 2017. The private airplane rate would increase eighty-eight cents (\$0.88) to one dollar and seventy-six cents (\$1.76) per mile if SB126 is enacted.

SIGNIFICANT ISSUES

SB126 amends Section 2-1-9 NMSA 1978 (being Laws 1971, Chapter 1, Section 11, as amended) and Section 10-8-4 NMSA 1978 (being Laws 1963, Chapter 31, Section 3, as amended). These amendments have the following effects:

- Changes the standard mileage rate reimbursement for in-state travel by members of the legislature from the rate set by the New Mexico Department of Finance and Administration (NMDFA) pursuant to the Per Diem Mileage Act to the rate set by the United State General Services Administration (USGSA)
- Changes the standard mileage rate reimbursement for public officers or employees from "up to the Internal Revenue Service? standard mileage rate for private automobiles and eighty-eight cents (\$0.88) per mile for private airplanes to the rate set by USGSA
- Specifies that the rates are set for private automobiles and private airplanes

For employees of the New Mexico Higher Education Department (NMHED), this would result in no change in rates for the 2024 calendar year for travel by private automobile, as both the Internal Revenue Service and USGSA rates are sixty-seven cents (\$0.67). The two rates have mirrored each other since at least January 1, 2017. If employees traveled by private airplane, this would result in an increase of eighty-eight cents (\$0.88) or a 100% increase in cost. As NMHED personnel report to the Sante Fe office at least three days a week with the option to work at the Albuquerque office up to twice a week, it is extremely unlikely that there would be a need to travel by personal airplane in the course of their regular work.

PERFORMANCE IMPLICATIONS

There are no performance implications for SB126.

ADMINISTRATIVE IMPLICATIONS

The New Mexico Higher Education Department (NMHED) would administer these changes in rates for its personnel.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

The United States General Services Administration (USGSA) also provides reimbursement rates for motorcycles, a mode of transportation that is not addressed in this bill. Previously, the word

"vehicle?" was used in Section 2-1-9 NMSA 1978. With the change to using "automobile,?" there is no guidance on reimbursement for motorcycles.

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If SB126 were not enacted, the changes to the mileage reimbursement rates would likely not take effect, and the existing reimbursement rate systems would continue.

AMENDMENTS

N/A