

LFC Requester:	Marty Daly
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**AGENCY BILL ANALYSIS
2015 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{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}

Check all that apply:

Original Amendment
Correction Substitute

Date Prepared: 2/15/15

Bill No: SB 199

Sponsor: Sen. Gerald Ortiz y Pino
Land Grant-Merced Project

Agency/Code: Attorney General's Office

Person Writing Analysis: Betsy Glenn

Short Title: Finance Act

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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY15	FY16		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY15	FY16	FY17		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

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

SECTION III: NARRATIVE

This analysis is neither a formal Attorney General’s Opinion nor an Attorney General’s Advisory Letter. This is a staff analysis in response to an agency’s, committee’s, or legislator’s request.

BILL SUMMARY

Synopsis:

The Senate Conservation Committee amendment to SB 199 deletes provisions of the original bill providing for loans from the land grant-merced project fund to make vendor payments. As amended, SB 199 provides that money in the fund shall be used to make direct payments to vendors for qualifying projects.

FISCAL IMPLICATIONS

SIGNIFICANT ISSUES

As a result of the amendment, the process for qualifying for and accessing the project fund for vendor payments is unclear. The bill should be amended to specify or authorize the New Mexico Finance Authority (“NMFA”) to specify the procedures and requirements for qualifying and applying for vendor payments and for making the payments to vendors.

SB 199a does not place any limitations the vendor payments made from the project fund. For example, it does not prevent one land grant-merced from obtaining unlimited vendor payments for a single qualifying project. If the money in the fund is limited, the absence of any limitations on access could lead to unequal benefits to similarly qualified land grant-mercedes.

SB 199a does not expressly appropriate the money in the project fund for the purpose of making direct payments to vendors.

The bill does not make clear whether the money in the project fund used to make vendor payments is in addition to the appropriation authorized by the legislature for the underlying capital project. Presumably, the appropriations to land grant-mercedes for capital projects include amounts for vendor payments.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

The language added in paragraph 6 of the amendment is unclear. In pertinent part, it states: “provided that the board of trustees of the land grant-merced receiving the qualifying project ...” The underlined language should probably be changed to something like “that has applied for vendor payments for a qualifying project.”

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo. There will be no mechanism for making payments to vendors related to a land grant-merced’s qualifying capital project other than out of the amounts appropriated by the legislature for that project.

AMENDMENTS

See comments above under Significant Issues and Technical Issues.