

# **Bond Case Briefs**

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## **New Mexico House OKs Public-Private Partnerships for Roads, Broadband Projects.**

More than 35 states allow partnerships in which private entities can bid to help finance and build government-owned facilities.

New Mexico is not yet one of those states. But it could be if a bill that the House of Representatives approved Friday by a vote of 64-0 makes it into law.

House Bill 286, sponsored by five lawmakers from both political parties, would allow any government agency in the state to enter into a long-term agreement with a private entity to finance and build road and broadband infrastructure.

In this case, Rep. Patricia Lundstrom, D-Gallup, one of the bill's sponsors, told lawmakers the initiative could help with much-needed road, bridge and internet service in counties and municipalities where capital funds are limited.

"This is a really important bill for our state," she said.

Nobody chose to debate the bill.

During earlier committee hearings, Lundstrom explained that the bill would set up the partnerships under the New Mexico Finance Authority. It would help bankroll them.

The private groups wanting to bid for jobs in the state have to provide a cost-benefit analysis, a budget proposal and take part in public hearings to solicit feedback from community members affected by the projects.

To qualify, a project must take at least five years to complete.

Though the bill has no appropriation, its fiscal impact report says the Legislative Finance Committee recommends setting aside \$40 million for a startup fund.

Lundstrom told lawmakers the new private-public setup would not include the building of toll roads.

The bill originally included a number of other possible projects, including schools and public facilities, before the sponsors narrowed it down to just roads and broadband — two areas, Lundstrom said, where the state needs help.

The bill goes next to the Senate for consideration.

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