





New Mexico

**Department of Finance
and Administration**

**Infrastructure Planning
and Development Division**

HB 247 – Capital Outlay Reform

Effects of the bill and how entities can be proactive

Agenda: CAPS Reporting & ICIP Deadlines



Reauthorizations



Reversions



ICIP



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AN ACT
RELATING TO CAPITAL EXPENDITURES; PROVIDING LIMITATIONS AND
REQUIREMENTS FOR CERTAIN CAPITAL OUTLAY PROJECTS,
REAUTHORIZATIONS AND APPROPRIATIONS; AMENDING SECTIONS OF
LAWS 2022 THROUGH 2025 TO REQUIRE CERTAIN UNEXPENDED GENERAL
FUND CAPITAL OUTLAY APPROPRIATIONS TO REVERT TO THE CAPITAL
DEVELOPMENT AND RESERVE FUND OR THE TRIBAL INFRASTRUCTURE
PROJECT FUND.

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Reauthorizations:

- One time
- Period of two years
- Must have 10% encumbered by January 1 of the year of reversion
 - Determined by DFA – reporting important
 - Funding will freeze on January 1 if threshold not met
- Technical change may be made
 - Change administering agency
 - Change fiscal agent
 - Expand Scope of Work
 - Not subject to encumbrance requirements



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Reversions

- General Fund projects revert to the Capital Development Reserve Fund
 - Provides funding for the Capital Development Program Fund
 - Funding for Planning and Design or project completion
 - Will provide increasingly larger amounts in the future
- Tribal projects from General Fund revert to the Tribal Infrastructure Project Fund.
 - Provides funding for Nation, Pueblo, and Tribe projects
- No expenditures by January 1 results in accounts will be frozen



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Infrastructure Capital Improvement Plan (ICIP):

- Appropriations/Authorizations of > \$100k must be on ICIP
 - By law, no funding if not on ICIP
- If less than \$100k, ICIP Project created automatically
 - For 2026, any appropriation not on the ICIP will have a project created automatically
- Affects non-profits, fire, police, school projects



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2027 Capital Outlay requests (\$100,000 or more) must have an ICIP prior to the request.

- **July 1, 2026**: ICIP Deadline to ***submit projects*** for next Legislative Session
- **November 1, 2026**: Deadline to ***update/revise*** ICIP for next Legislative session

ICIP Considerations for upcoming year

- Is the project ready for funding?
- Are there other sources of funding? (CDPF, TIF, WTB, Colonias, etc.)
- What stage of funding is needed?
- Discussions with non-profits, fire department (union), police department (union), school groups
- Resolution adopting priorities needs to be adopted by July 1, 2027



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Implications for Municipalities/Counties:

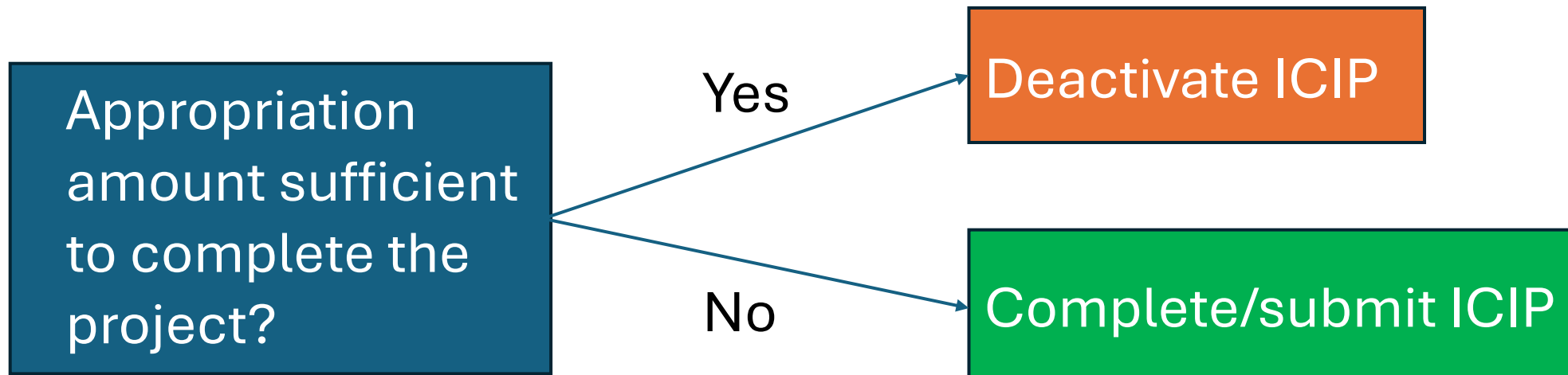
- All projects that will be requesting funding need to be on an ICIP
 - Includes Fire and Police
- Entities will have to work with non-profits
 - Does not have to be ranked high
 - Entity can delegate responsibilities to non-profits
- How else will this impact you? Let us know.



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2026 appropriations (\$100,000 or more) automatically generate an Infrastructure Capital Improvement Plan (ICIP)



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DFA Resources

- **Open Office Hours:** Tuesdays @ 1pm
 - [Join on Microsoft Teams](#)
 - Meeting ID:** 264 417 177 198 66
 - Passcode:** hU3bL9kb

- **ICIP Office Hours:** Thursdays @ 2:30pm
 - [Join on Microsoft Teams](#)
 - Meeting ID:** 252 238 612 538 26
 - Passcode:** 7Bw3uL9f

- **DFA Website** ([ICIP Virtual Training | New Mexico Department of Finance and Administration](#))
 - ICIP
 - Questionnaires
 - Capital Outlay process overview
 - CAPS orientation
 - Quarterly reporting

Thank You!



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IPDD Training Survey

