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SENATE BILL 340

46TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2004

INTRODUCED BY

Pete Campos

AN ACT

RELATING TO CAPITAL PROJECTS; ENACTING THE CAPITAL PROJECTS ACT; CREATING THE CAPITAL PROJECTS COUNCIL; PROVIDING PROCEDURES FOR EVALUATING AND PRIORITIZING PROPOSED CAPITAL PROJECTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. SHORT TITLE.--This act may be cited as the "Capital Projects Act".

Section 2. FINDINGS AND PURPOSE.--

A. The legislature finds that:

(1) the cost of needed state and local capital improvement and infrastructure projects annually exceeds the available funding resources;

(2) it has become difficult to adequately evaluate and prioritize proposed capital outlay projects to

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1 ensure that the available resources are expended in the most
2 cost-effective manner; and

3 (3) the current system for evaluating and
4 prioritizing proposed capital outlay projects could be improved
5 by delegating those functions to a coordinating council.

6 B. The purpose of the Capital Projects Act is to
7 create a council of experts to evaluate and prioritize proposed
8 statewide and local capital outlay projects and to monitor and
9 oversee projects authorized by the legislature to ensure that
10 appropriations are expended in the most cost-effective manner.

11 Section 3. DEFINITIONS.--As used in the Capital Projects
12 Act:

13 A. "capital project" means repair, renovation or
14 construction of a facility; purchase of land; acquisition of
15 capital equipment of a long-term nature; and repair, renovation
16 or construction of roads and water and wastewater systems; and

17 B. "council" means the capital projects council.

18 Section 4. CAPITAL PROJECTS COUNCIL--CREATION--
19 APPOINTMENT.--

20 A. The "capital projects council" is created. The
21 council consists of the following members:

22 (1) six members appointed by the governor, who
23 may be cabinet secretaries or public members;

24 (2) the state engineer or his designee;

25 (3) the executive director of the commission

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1 on higher education or his designee;

2 (4) the executive director of the New Mexico
3 municipal league or his designee;

4 (5) the executive director of the New Mexico
5 association of counties or his designee;

6 (6) the executive director of the New Mexico
7 finance authority or his designee; and

8 (7) one member, appointed by the governor,
9 representing Indian nations, tribes and pueblos.

10 B. The members appointed by the governor serve at
11 the pleasure of the governor. If the governor appoints public
12 members, they must have expertise in capital financing,
13 planning or construction.

14 C. The council shall elect a chair and such other
15 officers it deems necessary. The council shall meet at the
16 call of the chair, not less than quarterly. Public members of
17 the council may receive per diem and mileage expenses pursuant
18 to the Per Diem and Mileage Act.

19 Section 5. CAPITAL PROJECTS COUNCIL--POWERS--DUTIES.--

20 A. The council may:

21 (1) subject to legislative appropriation,
22 appoint and employ such professional, technical and clerical
23 assistance as it deems necessary to carry out the provisions of
24 the Capital Projects Act;

25 (2) enter into those contracts necessary to

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1 carry out the provisions of the Capital Projects Act;

2 (3) conduct research and studies to improve
3 the planning and prioritizing of capital projects and the
4 allocation of available resources;

5 (4) apply for and receive grants and accept
6 gifts, donations, bequests and devises in the name of the state
7 to carry out the provisions of the Capital Projects Act;

8 (5) appoint such committees and subcommittees
9 as necessary to perform its duties; and

10 (6) adopt rules necessary to carry out the
11 provisions of the Capital Projects Act.

12 B. The council shall:

13 (1) prepare an annual operating budget for
14 submission to the legislature;

15 (2) after July 1, 2005, accept proposals for
16 capital projects, prioritize the proposals and, by December 1,
17 2005 and each year thereafter, make recommendations to the
18 legislature for funding the prioritized projects;

19 (3) coordinate all planning, oversight,
20 monitoring and reporting functions of state government
21 regarding capital projects authorized by law. All agencies,
22 institutions, instrumentalities and political subdivisions of
23 the state shall assist the council in complying with this
24 requirement. The provisions of this paragraph do not apply to:

25 (a) capital projects funded pursuant to
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1 the Public School Capital Outlay Act;

2 (b) capital improvements funded pursuant
3 to the Public School Capital Improvements Act; and

4 (c) capital projects authorized by
5 legislation enacted after July 1, 2005 that specifically
6 exclude the capital project from the provisions of the Capital
7 Projects Act;

8 (4) develop criteria and procedures for
9 evaluating and prioritizing proposals for capital projects; and

10 (5) develop such reporting requirements for
11 capital projects as necessary to ensure that the projects are
12 being implemented in a cost-effective manner and consistent
13 with the original purpose of the legislation providing for the
14 project.

15 Section 6. CAPITAL PROJECTS PRIORITIZATION.--

16 A. After July 1, 2005, any agency, political
17 subdivision, instrumentality or institution of the state may
18 submit a proposal for a capital project to the council. Each
19 proposal shall contain:

20 (1) a detailed description of the proposed
21 project;

22 (2) an explanation of the need for the
23 proposed project;

24 (3) a description of the prime beneficiaries
25 of the proposed project;

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1 (4) the estimated total cost of the proposed
2 project and an explanation of how the cost was derived;

3 (5) the amount and source of any other
4 funding;

5 (6) an explanation of how the project will be
6 implemented and maintained and the amount and source of
7 estimated implementation and maintenance costs; and

8 (7) any other information required by rule of
9 the council.

10 B. Upon receipt of a proposal, the council shall
11 investigate the statements and facts contained in the proposal
12 and shall conduct such site visits and hearings as it deems
13 necessary. The council shall consider all proposals and, after
14 a public hearing, shall list all proposals in order of
15 priority.

16 Section 7. TEMPORARY PROVISION.--During fiscal year 2005,
17 the capital projects council shall organize and perform its
18 duties pursuant to the Capital Projects Act; except that the
19 council shall not accept and prioritize proposals and make
20 recommendations to the legislature until after July 1, 2005.
21 The council shall submit to the first session of the forty-
22 seventh legislature the criteria and procedures for evaluating
23 and prioritizing proposals and the reporting requirements
24 developed pursuant to the Capital Projects Act together with
25 any recommendations of the council for proposed legislation.

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1 Section 8. EFFECTIVE DATE.--The effective date of the
2 provisions of this act is July 1, 2004.

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