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HOUSE BILL 2

47TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2006

INTRODUCED BY

Henry 'Kiki' Saavedra

AN ACT

MAKING GENERAL APPROPRIATIONS AND AUTHORIZING EXPENDITURES BY
STATE AGENCIES REQUIRED BY LAW.

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

Section 1. SHORT TITLE.--This act may be cited as the
"General Appropriation Act of 2006".

Section 2. DEFINITIONS.--As used in the General
Appropriation Act of 2006:

A. "agency" means an office, department, agency,
institution, board, bureau, commission, court, district
attorney, council or committee of state government;

B. "federal funds" means any payments by the United
States government to state government or agencies except those
payments made in accordance with the federal Mineral Lands
Leasing Act;

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1 C. "general fund" means that fund created by
2 Section 6-4-2 NMSA 1978 and includes federal Mineral Lands
3 Leasing Act receipts and those payments made in accordance with
4 the federal block grant and the federal Workforce Investment
5 Act, but excludes the general fund operating reserve, the
6 appropriation contingency fund, the tax stabilization reserve
7 and any other fund, reserve or account from which general
8 appropriations are restricted by law;

9 D. "interagency transfers" means revenue, other
10 than internal service funds, legally transferred from one
11 agency to another;

12 E. "internal service funds" means:

13 (1) revenue transferred to an agency for the
14 financing of goods or services to another agency on a cost-
15 reimbursement basis; and

16 (2) unreserved undesignated fund balances in
17 agency internal service fund accounts appropriated by the
18 General Appropriation Act of 2006;

19 F. "other state funds" means:

20 (1) unreserved undesignated balances in agency
21 accounts, other than in internal service fund accounts,
22 appropriated by the General Appropriation Act of 2006;

23 (2) all revenue available to agencies from
24 sources other than the general fund, internal service funds,
25 interagency transfers and federal funds; and

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1 (3) all revenue, the use of which is
2 restricted by statute or agreement; and

3 G. "revenue" means all money received by an agency
4 from sources external to that agency, net of refunds and other
5 correcting transactions, other than from issue of debt,
6 liquidation of investments or as agent or trustee for other
7 governmental entities or private persons.

8 Section 3. GENERAL PROVISIONS.--

9 A. For fiscal year 2007, appropriations are made as
10 set out in Section 4 of the General Appropriation Act of 2006
11 from the general fund, internal service funds and interagency
12 transfers or other state funds as indicated to state agencies
13 named or for the purposes expressed, or so much thereof as may
14 be necessary, within available revenue and unreserved
15 undesignated fund balances.

16 B. Unreserved undesignated fund balances in agency
17 accounts remaining at the end of fiscal year 2007 shall revert
18 to the general fund by September 30, 2007, unless otherwise
19 indicated in the General Appropriation Act of 2006 or otherwise
20 provided by law.

21 C. The state budget division of the department of
22 finance and administration shall monitor revenue received by
23 agencies from sources other than the general fund and shall
24 reduce the operating budget of any agency whose revenue from
25 such sources is not meeting projections.

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1 D. Except as otherwise specifically stated in the
2 General Appropriation Act of 2006, appropriations are made in
3 that act for the expenditures of agencies and for other
4 purposes as required by existing law for fiscal year 2007. If
5 any other act of the second session of the forty-seventh
6 legislature changes existing law with regard to the name or
7 responsibilities of an agency or the name or purpose of a fund
8 or distribution, the appropriation made in the General
9 Appropriation Act of 2006 shall be transferred from the agency,
10 fund or distribution to which an appropriation has been made as
11 required by existing law to the appropriate agency, fund or
12 distribution provided by the new law.

13 E. Pursuant to Sections 6-3-23 through 6-3-25 NMSA
14 1978, the state budget division may approve increases in
15 budgets for state agencies whose revenues from other state
16 funds, internal service funds and interagency transfers exceed
17 amounts specified in the General Appropriation Act of 2006. If
18 approved by the state budget division, such increases in other
19 state funds, internal service funds and interagency transfers
20 are hereby appropriated.

21 F. For the purpose of administering the General
22 Appropriation Act of 2006, the state of New Mexico shall follow
23 the modified accrual basis of accounting for governmental funds
24 in accordance with the manual of model accounting practices
25 issued by the department of finance and administration.

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1 G. When approving budgets based on appropriations
2 in the General Appropriation Act of 2006, the state budget
3 division is specifically authorized to approve budgets in
4 accordance with generally accepted accounting principles.

5 H. When approving budgets based on appropriations
6 in the General Appropriation Act of 2006, the state budget
7 division is specifically authorized to approve budgets in
8 accordance with generally accepted accounting principles and
9 the authority to extend the availability period of an
10 appropriation through the use of an encumbrance shall follow
11 the modified accrual basis of accounting for governmental funds
12 in accordance with the manual of model accounting practices
13 issued by the department of finance and administration.

14 I. Notwithstanding the requirement in the General
15 Appropriation Act of 2005 to follow the modified accrual basis
16 of accounting for governmental funds, in the transition period
17 of converting to the modified accrual basis, upon the review of
18 the legislative finance committee, the department of finance
19 and administration may extend the period for expending an
20 appropriation made in the General Appropriation Act of 2005
21 beyond June 30, 2006 by approving a budget for all or a portion
22 of the unexpended amount of that appropriation in fiscal year
23 2007 if the secretary of finance and administration finds that:

24 (1) there are likely to be unpaid costs and
25 expenses covered by binding written obligations to third

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1 parties as of June 30, 2006; or

2 (2) the purpose of the appropriation will not
3 be satisfied by the goods and services delivered as of June 30,
4 2006; there is no money appropriated for fiscal year 2007 to
5 complete the purpose of the appropriation; and the state will
6 suffer a pecuniary loss if the purpose of the appropriation is
7 not satisfied.

8 J. Laws 2005, Chapter 33, Section 4 is repealed
9 effective July 1, 2006.

10 Section 4. FISCAL YEAR 2007 APPROPRIATIONS.--

11 A. LEGISLATIVE.--Sixteen million five hundred
12 twelve thousand dollars (\$16,512,000) is appropriated from the
13 general fund to the legislative council service for allocation
14 to legislative agencies in fiscal year 2007.

15 B. JUDICIAL.--One hundred sixty-five million seven
16 hundred fifty-four thousand five hundred dollars (\$165,754,500)
17 from the general fund, fourteen million eighty-three thousand
18 four hundred dollars (\$14,083,400) from other state funds,
19 eight million seven hundred eighty-seven thousand nine hundred
20 dollars (\$8,787,900) from internal service funds/interagency
21 transfers and four million eight hundred three thousand four
22 hundred dollars (\$4,803,400) from federal funds is appropriated
23 to the administrative office of the courts for allocation to
24 judicial agencies in fiscal year 2007.

25 C. GENERAL CONTROL.--One hundred sixty-three

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1 million thirty-nine thousand seven hundred dollars
2 (\$163,039,700) from the general fund, five hundred ninety-eight
3 million six hundred fifty-three thousand five hundred dollars
4 (\$598,653,500) from other state funds, four hundred five
5 million eight hundred ninety-three thousand six hundred dollars
6 (\$405,893,600) from internal service funds/interagency
7 transfers and eighteen million seven hundred ninety-nine
8 thousand dollars (\$18,799,000) from federal funds is
9 appropriated to the department of finance and administration
10 for allocation to general control agencies in fiscal year 2007.

11 D. COMMERCE AND INDUSTRY.--Forty-nine million seven
12 hundred ninety-eight thousand five hundred dollars
13 (\$49,798,500) from the general fund, thirty-four million eight
14 hundred twenty-two thousand dollars (\$34,822,000) from other
15 state funds, twenty-five million four hundred eighty-one
16 thousand four hundred dollars (\$25,481,400) from internal
17 service funds/interagency transfers and nine hundred thirty-six
18 thousand four hundred dollars (\$936,400) from federal funds is
19 appropriated to the department of finance and administration
20 for allocation to commerce and industry agencies in fiscal year
21 2007.

22 E. AGRICULTURE, ENERGY AND NATURAL RESOURCES.--
23 Seventy-one million six hundred two thousand six hundred
24 dollars (\$71,602,600) from the general fund, fifty-five million
25 four hundred ninety-four thousand two hundred dollars

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1 (\$55,494,200) from other state funds, thirty-nine million four
2 hundred eighty-three thousand dollars (\$39,483,000) from
3 internal service funds/interagency transfers and thirty-three
4 million three hundred seventy-seven thousand dollars
5 (\$33,377,000) from federal funds is appropriated to the
6 department of finance and administration for allocation to
7 agriculture, energy and natural resource agencies in fiscal
8 year 2007.

9 F. HEALTH, HOSPITALS AND HUMAN SERVICES.--One
10 billion two hundred six million one hundred ninety-three
11 thousand five hundred dollars (\$1,206,193,500) from the general
12 fund, one hundred sixty-nine million one hundred one thousand
13 eight hundred dollars (\$169,101,800) from other state funds,
14 two hundred ninety-seven million three hundred sixteen thousand
15 three hundred dollars (\$297,316,300) from internal service
16 funds/interagency transfers and two billion nine hundred eleven
17 million eight hundred twenty-three thousand eight hundred
18 dollars (\$2,911,823,800) from federal funds is appropriated to
19 the department of finance and administration for allocation to
20 health, hospitals and human services agencies in fiscal year
21 2007.

22 G. PUBLIC SAFETY.--Three hundred twenty-six million
23 six hundred fifty-seven thousand two hundred dollars
24 (\$326,657,200) from the general fund, nineteen million three
25 hundred six thousand four hundred dollars (\$19,306,400) from

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1 other state funds, eighteen million two hundred nine thousand
2 one hundred dollars (\$18,209,100) from internal service
3 funds/interagency transfers and fifty-three million one hundred
4 seventy-six thousand eight hundred dollars (\$53,176,800) from
5 federal funds is appropriated to the department of finance and
6 administration for allocation to public safety agencies in
7 fiscal year 2007.

8 H. TRANSPORTATION.--Four hundred million eighty-
9 five thousand five hundred dollars (\$400,085,500) from other
10 state funds, six hundred thousand hundred dollars (\$600,000)
11 from internal service funds/interagency transfers and three
12 hundred ninety-one million one hundred eighty-eight thousand
13 six hundred dollars (\$391,188,600) from federal funds is
14 appropriated to the department of finance and administration
15 for allocation to transportation agencies in fiscal year 2007.

16 I. OTHER EDUCATION.--Forty-one million eleven
17 thousand seven hundred dollars (\$41,011,700) from the general
18 fund, nine million one hundred fifty-seven thousand seven
19 hundred dollars (\$9,157,700) from other state funds, five
20 million five hundred ninety-five thousand seven hundred dollars
21 (\$5,595,700) from internal service funds/interagency transfers
22 and forty-one million three hundred seventy-eight thousand two
23 hundred dollars (\$41,378,200) from federal funds is
24 appropriated to the department of finance and administration
25 for allocation to other education agencies in fiscal year 2007.

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1 J. HIGHER EDUCATION.--Seven hundred forty-two
2 million nine hundred sixty-one thousand five hundred dollars
3 (\$742,961,500) from the general fund, one billion five hundred
4 seventy million three hundred ninety-eight thousand two hundred
5 dollars (\$1,570,398,200) from other state funds, thirty-eight
6 million one hundred forty-seven thousand five hundred dollars
7 (\$38,147,500) from internal service funds/interagency transfers
8 and four million nine hundred eighty-six thousand two hundred
9 dollars (\$4,986,200) from federal funds is appropriated to the
10 higher education department for expenditure or allocation to
11 higher education agencies in fiscal year 2007.

12 K. PUBLIC SCHOOL SUPPORT.--Two billion two hundred
13 eighty-two million nine hundred forty-one thousand nine hundred
14 dollars (\$2,282,941,900) from the general fund, eight hundred
15 fifty thousand dollars (\$850,000) from other state funds, and
16 three hundred sixty-eight million three hundred twenty-three
17 thousand five hundred dollars (\$368,323,500) from federal funds
18 is appropriated to the public education department for
19 expenditure or allocation to public school districts in fiscal
20 year 2007.

21 Section 5. TRANSFER AUTHORITY.--If revenue and transfers
22 to the general fund as of the end of fiscal year 2006 are not
23 sufficient to meet appropriations, the governor, with the state
24 board of finance approval, may transfer at the end of that year
25 the amount necessary to meet the year's obligations from the

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1 unexpended balance remaining in the general fund operating
2 reserve in a total not to exceed two hundred seventy-five
3 million dollars (\$275,000,000).

4 Section 6. SEVERABILITY.--If any part or application of
5 this act is held invalid, the remainder or its application to
6 other situations or persons shall not be affected.