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HOUSE BILL 597

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

INTRODUCED BY

Luciano "Lucky" Varela

AN ACT

RELATING TO PUBLIC FINANCES; REQUIRING CERTAIN AGENCIES TO
VOUCHER THROUGH THE DEPARTMENT OF FINANCE AND ADMINISTRATION;
CREATING FUNDS IN THE STATE TREASURY.

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

Section 1. Section 16-6-3.1 NMSA 1978 (being Laws 1994,
Chapter 143, Section 6) is amended to read:

"16-6-3.1. BUDGET REVIEW REQUIREMENTS--VOUCHERING.--
Beginning with ~~[the eighty-third]~~ fiscal year 2007, the state
fair commission is ~~[required to]~~ subject to Chapter 6, Article
5 NMSA 1978 and shall submit to the department of finance and
administration ~~[for review a monthly budget status report, a~~
~~list of all checks issued and all supporting documentation for~~
~~each expenditure]~~ vouchers for all proposed expenditures unless
exempted as provided in Section 6-5-9 NMSA 1978."

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1 Section 2. Section 16-6-18 NMSA 1978 (being Laws 1935,
2 Chapter 69, Section 6) is amended to read:

3 "16-6-18. [~~Moneys~~] STATE FAIR FUND--MONEY OF THE NEW
4 MEXICO STATE FAIR.--

5 A. The "state fair fund" is created in the state
6 treasury, consisting of appropriations, fees, income from
7 investment of the fund and other revenue received by the New
8 Mexico state fair, except revenue that is pledged for the
9 repayment of outstanding bonds that is required to be placed in
10 segregated accounts or funds. Money in the fund at the end of
11 a fiscal year shall not revert to the general fund. The fund
12 shall be administered by the New Mexico state fair, and money
13 in the fund is appropriated to the New Mexico state fair to
14 carry out its purposes and duties. Disbursements from the fund
15 shall be by warrant of the secretary of finance and
16 administration pursuant to vouchers signed by the director of
17 the New Mexico state fair or the director's authorized
18 representative.

19 [~~No moneys~~] B. Money derived from the sale of the
20 bonds or otherwise borrowed by [~~such institution~~] the New
21 Mexico state fair under provisions of [~~this Act~~] Sections
22 16-6-13 through 16-6-22 NMSA 1978 shall be [~~required to be~~]
23 paid into the state treasury [~~but shall be deposited by the~~
24 ~~treasurer or other fiscal officer of the New Mexico state fair~~
25 ~~in a separate bank account or accounts in such bank or banks or~~

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1 ~~trust company or trust companies as may be designated by the~~
2 ~~commission and. All deposits of such moneys shall, if required~~
3 ~~by the commission, be secured by obligations of the United~~
4 ~~States of America, of a market value equal at all times to the~~
5 ~~amount of the deposit, and all banks and trust companies are~~
6 ~~hereby authorized to give such security] to the credit of the~~
7 ~~state fair fund or a separate state fair bond debt service fund~~
8 ~~as required by the state treasurer and the secretary of finance~~
9 ~~and administration.~~ Such money shall be disbursed as may be
10 directed by the commission and in accordance with the terms of
11 any agreements with the ~~[holder or]~~ holders of any bonds. This
12 ~~[section]~~ subsection shall not be construed as limiting the
13 power of the New Mexico state fair to agree in connection with
14 the issuance of any of its bonds as to the custody and
15 disposition of the ~~[moneys]~~ money received from the sale of
16 ~~[such]~~ bonds or the income and revenue of the New Mexico state
17 fair pledged and assigned to or in trust for the benefit of the
18 holder or holders ~~[thereof]~~ of the bonds."

19 Section 3. A new section of the Public School Insurance
20 Authority Act is enacted to read:

21 "[NEW MATERIAL] BUDGET REVIEW REQUIREMENTS--VOUCHERING.--
22 Beginning with fiscal year 2007, the authority is subject to
23 Chapter 6, Article 5 NMSA 1978 and shall submit vouchers for
24 all proposed expenditures to the department of finance and
25 administration unless exempted as provided in Section 6-5-9

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1 NMSA 1978."

2 Section 4. Section 22-29-6 NMSA 1978 (being Laws 1986,
3 Chapter 94, Section 6, as amended) is amended to read:

4 "22-29-6. FUND CREATED--BUDGET REVIEW--PREMIUMS.--

5 A. ~~[There is created]~~ The "public school insurance
6 fund" is created in the state treasury. All income earned on
7 the fund shall be credited to the fund. All premiums and other
8 money collected by the authority shall be deposited in the
9 fund. The fund is appropriated to the authority to carry out
10 the provisions of the Public School Insurance Authority Act.
11 Any money remaining in the fund at the end of each fiscal year
12 shall not revert to the general fund.

13 B. The board shall determine which money in the
14 fund constitutes the long-term reserves of the authority. The
15 state investment officer shall invest the long-term reserves of
16 the authority in accordance with the provisions of Sections
17 6-8-1 through 6-8-16 NMSA 1978. The state treasurer shall
18 invest the money in the fund that does not constitute the long-
19 term reserves of the fund in accordance with the applicable
20 provisions of Chapter 6, Article 10 NMSA 1978.

21 C. All appropriations shall be subject to budget
22 review through the department ~~[of education]~~, the state budget
23 division of the department of finance and administration and
24 the legislative finance committee.

25 D. The authority shall provide that premiums are
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1 collected from school districts and charter schools
2 participating in the authority sufficient to provide the
3 required insurance coverage and to pay the expenses of the
4 authority. All premiums shall be credited to the fund.

5 E. Any reserves remaining at the termination of an
6 insurance contract shall be disbursed to the individual school
7 districts, charter schools and other participating entities on
8 a pro rata basis.

9 F. Disbursements from the fund [~~for purposes other~~
10 ~~than procuring and paying for insurance or insurance-related~~
11 ~~services, including but not limited to third-party~~
12 ~~administration, premiums, claims and cost containment~~
13 ~~activities]~~ shall be made only upon warrant drawn by the
14 secretary of finance and administration pursuant to vouchers
15 signed by the director or [~~his~~] the director's designee;
16 provided that the [~~chairman~~] chair of the board may sign
17 vouchers if the position of director is vacant."

18 Section 5. A new section of The Livestock Code is enacted
19 to read:

20 "[NEW MATERIAL] BUDGET REVIEW REQUIREMENTS--VOUCHERING.--
21 Beginning with fiscal year 2007, the board is subject to
22 Chapter 6, Article 5 NMSA 1978 and shall submit vouchers for
23 all proposed expenditures to the department of finance and
24 administration unless exempted as provided in Section 6-5-9
25 NMSA 1978."

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1 Section 6. Section 77-2-7.5 NMSA 1978 (being Laws 1905,
2 Chapter 30, Section 1, as amended) is amended to read:

3 "77-2-7.5. FEES--DISPOSITION.--The fees for recording or
4 researching brands and for furnishing certified copies of the
5 recording or research shall be placed to the credit of the [New
6 Mexico] livestock board [~~interim receipts and disbursements~~
7 fund."

8 Section 7. Section 77-2-15 NMSA 1978 (being Laws 1937,
9 Chapter 205, Section 2, as amended) is amended to read:

10 "77-2-15. SPECIAL TAXES--LEVY--COLLECTION.--

11 A. Each year the board of county commissioners of
12 each county shall at its first meeting after the return of the
13 assessment of the property for taxation by the county assessors
14 of each county, levy a special tax at a rate to be fixed each
15 year by the New Mexico livestock board. Subject to the
16 provisions of Section 7-37-7.1 NMSA 1978, the New Mexico
17 livestock board shall, in each year, order the levy of a tax on
18 livestock at a rate not to exceed ten dollars (\$10.00) on each
19 one thousand dollars (\$1,000) of net taxable value, as that
20 term is defined in the Property Tax Code, of the livestock.
21 The New Mexico livestock board may set different rates for
22 individual classes of livestock.

23 B. The order imposing the levy of the tax shall be
24 made on or before June 30 in each year and shall be certified
25 to the department of finance and administration by the

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1 director. The department of finance and administration shall
2 certify the amount of the levy to the board of county
3 commissioners of each county, and the board of county
4 commissioners shall include the levy in its annual levy of
5 taxes. The special tax shall be collected in each county and
6 paid to the state treasurer in the manner provided by law for
7 the collection and payment of other state taxes. Such funds
8 shall be [~~remitted to the New Mexico livestock board for~~
9 ~~deposit~~] deposited in the [~~interim receipts and disbursements~~]
10 livestock board fund."

11 Section 8. Section 77-2-17 NMSA 1978 (being Laws 1915,
12 Chapter 85, Section 2, as amended) is amended to read:

13 "77-2-17. PAYMENT OF TAX COLLECTIONS TO STATE TREASURER--
14 DISBURSEMENT.--The special tax provided by Section 77-2-16 NMSA
15 1978 shall be assessed and collected in every county and paid
16 over to the state treasurer as provided by law for the
17 assessment, collection and payment of other state taxes, and
18 all money so collected and paid over on account of such special
19 tax levies shall be transferred each month to the [~~board for~~
20 ~~deposit in the interim receipts and disbursements~~] livestock
21 board fund and shall be used for fees, salaries, wages, costs
22 and expenses as provided for by laws relating to the powers,
23 duties and expenditures of the board."

24 Section 9. Section 77-2-21 NMSA 1978 (being Laws 1893,
25 Chapter 67, Section 3, as amended) is amended to read:

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1 "77-2-21. FEES--FUND CREATED.--All fees, [~~and~~] charges
2 and other money collected pursuant to the provisions of The
3 Livestock Code shall be paid to the [~~executive~~] director [~~of~~
4 ~~the board~~] to be deposited in the "[~~New Mexico~~] livestock board
5 [~~general~~] fund", hereby created in the state treasury as a
6 nonreverting fund. All fees and charges deposited in the [~~New~~
7 ~~Mexico~~] livestock board [~~general~~] fund may be expended in
8 accordance with a budget approved by the department of finance
9 and administration. Money in the fund shall be disbursed by
10 warrant of the secretary of finance and administration pursuant
11 to vouchers signed by the director or the director's authorized
12 representative."

13 Section 10. TEMPORARY PROVISION--TRANSFER OF MONEY.--As
14 soon as practicable after June 30, 2006, as determined by the
15 secretary of finance and administration and the state
16 treasurer, money held in private financial institutions by the
17 New Mexico state fair, the public school insurance authority
18 and the New Mexico livestock board shall be transferred to the
19 appropriate funds and accounts established in the state
20 treasury for those agencies.

21 Section 11. REPEAL.--Sections 22-29-8, 77-2-10 and
22 77-2-25 NMSA 1978 (being Laws 1986, Chapter 94, Section 8, Laws
23 1973, Chapter 84, Section 1 and Laws 1959, Chapter 291, Section
24 2, as amended) are repealed.

25 Section 12. EFFECTIVE DATE.--The effective date of the

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1 provisions of this act is July 1, 2006.

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