SENNATE BILL 58

54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019

INTRODUCED BY

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AN ACT

RELATING TO STATE BUDGETS; PROVIDING THAT AN AGENCY SHALL IDENTIFY AND PRIORITIZE EVIDENCE-BASED, RESEARCH-BASED AND PROMISING SUB-PROGRAMS WITHIN ITS PERFORMANCE-BASED BUDGET REQUEST; PROVIDING THAT A BUDGET RECOMMENDATION SHALL IDENTIFY THE AMOUNT OF FUNDING THAT IS INTENDED FOR EVIDENCE-BASED, RESEARCH-BASED AND PROMISING SUB-PROGRAMS; ESTABLISHING A PROGRAM INVENTORY PROCEDURE.

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

SECTION 1. Section 6-3A-1 NMSA 1978 (being Laws 1999, Chapter 5, Section 1 and Laws 1999, Chapter 15, Section 1) is amended to read:

"6-3A-1. SHORT TITLE.--[Sections 1 through 8 of this act] Chapter 6, Article 3A NMSA 1978 may be cited as the "Accountability in Government Act"."

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SECTION 2. Section 6-3A-3 NMSA 1978 (being Laws 1999, Chapter 5, Section 3 and Laws 1999, Chapter 15, Section 3, as amended) is amended to read:

"6-3A-3. DEFINITIONS.--As used in the Accountability in Government Act:

A. "agency" means a branch, department, institution, board, bureau, commission, district or committee of the state;

B. "approved program" means a program included in an approved list of programs issued by the division pursuant to Section 6-3A-4 NMSA 1978;

C. "baseline data" means the current level of a program's performance measures established pursuant to guidelines established by the division in consultation with the committee;

D. "committee" means the legislative finance committee;

E. "cost beneficial" means that the cost savings and benefits realized over a reasonable period of time are greater than the costs of implementation;

[F. ] F. "division" means the state budget division of the department of finance and administration;

G. "evidence-based" means that a program or practice:

(1) incorporates methods demonstrated to be
effective for the intended population through scientifically based research, including statistically controlled evaluations or randomized trials;

(2) can be implemented with a set of procedures to allow successful replication in New Mexico; and

(3) when possible, has been determined to be cost beneficial;

[F.] H. "outcome" means the measurement of the actual impact or public benefit of a program;

[G.] I. "output" means the measure of the volume of work completed or the level of actual services or products delivered by a program;

[H.] J. "performance-based program budget" means a budget that identifies a total allowed expenditure for a program and includes performance measures, performance standards and program evaluations;

[I.] K. "performance measure" means a quantitative or qualitative indicator used to assess the output or outcome of an approved program;

[J.] L. "performance target" means the expected level of performance of a program's performance measures; [and

K.] M. "program" means a set of activities undertaken in accordance with a plan of action organized to realize identifiable goals and objectives based on legislative authorization;
N. "promising" means that a program or practice, based on statistical analyses or preliminary research, presents potential for becoming research-based or evidence-based;  
O. "research-based" means that a program or practice has some research demonstrating effectiveness, but does not yet meet the standard of evidence-based; and 
P. "sub-program" means a set of discrete uniquely identifiable activities undertaken in accordance with a plan of action organized to realize identifiable goals within an approved program."

SECTION 3. Section 6-3A-7 NMSA 1978 (being Laws 1999, Chapter 5, Section 7 and Laws 1999, Chapter 15, Section 7, as amended) is amended to read:

"6-3A-7. PERFORMANCE-BASED PROGRAM BUDGET REQUESTS.--
A. The division, in consultation with the committee, shall develop instructions for those agencies required to submit performance-based program budget requests. The instructions shall be sent to the agencies on or before June 15 of each year and shall be in addition to any other forms required by Section 6-3-18 NMSA 1978. The instructions shall require that performance-based program budget requests contain the following:

(1) a summary of each approved program, including a justification for the program;
(2) for each approved program, an evaluation
of the agency's progress in meeting the performance targets.

The evaluation shall be developed as prescribed in the budget instructions;

(3) for each approved program, the outputs, outcomes, baseline data, performance measures and historic and proposed performance targets;

(4) if a performance audit has been conducted on an approved program during either the present or any of the immediately preceding two fiscal years, any responses that the agency may have to the audit and any actions that the agency has taken as a result of the audit; [and]

(5) the results of the program inventory pursuant to Section 5 of this 2019 act and a summary of how the agency has prioritized evidence-based, research-based or promising sub-programs within its performance-based program budget request; and

(6) any other information that the

division believes may be useful to the division or the legislature in developing a budget for the agency.

B. On or before September 1 of each year, each agency shall submit a performance-based program budget request to the division and the committee in the form and manner prescribed in the budget instructions. Budget requests submitted pursuant to this section shall be in lieu of those required by Section 6-3-19 NMSA 1978."
SECTION 4. Section 6-3A-8 NMSA 1978 (being Laws 1999, Chapter 5, Section 8 and Laws 1999, Chapter 15, Section 8, as amended) is amended to read:

"6-3A-8. PERFORMANCE-BASED PROGRAM BUDGETS.--

A. For each agency, the governor's proposed budget submitted pursuant to Section 6-3-21 NMSA 1978 and the committee's budget recommendation pursuant to Section 2-5-4 NMSA 1978 shall contain:

(1) a budget recommendation for each approved program;

(2) a summary, including the outputs and outcomes, of each approved program;

(3) performance measures and performance targets for each approved program;

(4) an evaluation of the performance of each approved program; [and]

(5) the amount of the budget recommendation that is intended for evidence-based, research-based and promising sub-programs; and

[(5)] (6) any other criteria deemed relevant by the governor or the committee.

B. For each agency, the governor's proposed budget submitted pursuant to Section 6-3-21 NMSA 1978 and the committee's budget recommendation pursuant to Section 2-5-4 NMSA 1978 may contain recommendations regarding incentives or
disincentives for agency performance and implementation of
evidence-based, research-based or promising sub-programs.
Incentives or disincentives may apply to all or part of an
agency and may apply to any or all of an agency's approved
programs.

C. Pursuant to Section 6-3-7 NMSA 1978, the
division shall prescribe forms and approve operating budgets
for agencies funded by performance-based program budgets;
however, the division shall not take any action that hinders an
agency from operating under a performance-based appropriation
or that is otherwise inconsistent with the purposes of the
Accountability in Government Act. Notwithstanding the
provisions of Sections 6-3-23 through 6-3-25 NMSA 1978, and
absent specific authorization in the general appropriation act
or other act of the legislature, no funds may be transferred
either into or out of a performance-based program budget.

D. Each agency shall develop, in consultation with
the division, a plan for monitoring and reviewing the agency's
programs to ensure that performance data are maintained and
supported by agency records."

SECTION 5. A new section of the Accountability in
Government Act is enacted to read:

"[NEW MATERIAL] PROGRAM INVENTORY.--The division and the
committee shall approve a list of programs to inventory on or
before June 15 of each year. The division shall send to each
agency required to submit a performance-based program budget
request a notification identifying the programs that have been
selected for the inventory. The notification shall set forth
the process for completing and submitting the program inventory
and shall direct each agency to:

A. identify each sub-program as evidence-based,
research-based, promising or lacking evidence of effectiveness;

B. compile an inventory that includes for each sub-
program:
   (1) the goals and objectives of the sub-
   program;
   (2) current and historical budget and spending
data;
   (3) the target population to be served;
   (4) the number of persons served annually;
   (5) any outcome data that demonstrate
   efficiency and effectiveness;
   (6) any data demonstrating that the sub-
   program has proven cost beneficial in New Mexico or that the
   sub-program is likely to be cost beneficial in New Mexico; and
   (7) the results of any evaluations or audits
   of the sub-program."