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SENATE BILL 325

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

INTRODUCED BY
Diane H. Snyder

AN ACT

RELATING TO CAPITAL OUTLAY; CREATING A PERMANENT JOINT INTERIM
LEGISLATIVE CAPITAL PROJECTS REVIEW COMMITTEE; PROVIDING
DUTIES; PROVIDING FOR STANDARDS AND GUIDELINES FOR CAPITAL
PROJECT FUNDING; MAKING AN APPROPRIATION; DECLARING AN
EMERGENCY.

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 Review 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 during legislative

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1 sessions to adequately evaluate and prioritize proposed capital
2 outlay projects to ensure that available resources are expended
3 in the most cost-effective manner; and

4 (3) the legislature's current system for
5 evaluating and prioritizing proposed capital outlay projects
6 could be improved by the creation of a joint interim capital
7 projects committee to make recommendations to the legislature
8 on funding priorities.

9 B. The purpose of the Capital Projects Review Act
10 is to create a joint interim capital projects review committee
11 to work with architectural, engineering, finance and other
12 experts in the public and private sectors to evaluate and
13 prioritize proposed statewide and local capital outlay projects
14 and to monitor projects authorized by the legislature to ensure
15 that appropriations are expended in the most cost-effective
16 manner.

17 Section 3. DEFINITIONS.--As used in the Capital Projects
18 Review Act:

19 A. "capital project" means repair, alteration,
20 demolition, renovation or construction of a public building or
21 other public works; purchase of land; acquisition of capital
22 equipment of a long-term nature; and acquisition of furniture
23 as part of a renovation or construction project; and

24 B. "committee" means the capital projects review
25 committee.

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1 Section 4. CAPITAL PROJECTS REVIEW COMMITTEE CREATED--
2 MEMBERSHIP--APPOINTMENT--VACANCIES.--

3 A. The "capital projects review committee" is
4 created as a permanent joint interim legislative committee.
5 The committee shall be composed of twelve members, six members
6 appointed by the speaker of the house of representatives and
7 six members appointed by the senate president pro tempore.
8 Members shall be appointed from each house so as to give the
9 two major political parties equal representation on the
10 committee. Minority members shall be appointed by the speaker
11 or the president pro tempore only from recommendations made by
12 the minority floor leader of the respective house, although the
13 speaker and president pro tempore shall retain the right to
14 reject any such recommendations.

15 B. Members shall be appointed for terms of two
16 years and shall serve from the time of their appointment until
17 the end of the legislature for which appointed. The term of
18 any member shall terminate when the member ceases to be a
19 member of the legislature. Vacancies on the committee shall be
20 filled for the unexpired term by appointment by the respective
21 appointing authority from the same house and the same party
22 from which their predecessors were appointed and subject to the
23 same recommendations.

24 C. For the 2006 interim, the chair shall be a
25 senate member and the vice chair shall be a house member. The

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1 appointing authority of each house shall exercise its
2 appointing authority by naming the chair or vice chair,
3 respectively, on an alternating basis annually.

4 D. At the request of the chair, a member may be
5 removed from the committee by the appointing authority for
6 nonattendance according to New Mexico legislative council
7 policy.

8 E. No action shall be taken by the committee if a
9 majority of the total membership from either house on the
10 committee rejects the action.

11 Section 5. SUBCOMMITTEES.--Subcommittees may be created
12 only by majority vote of all members appointed to the
13 committee. A subcommittee shall be composed of at least one
14 member from the house of representatives and one member from
15 the senate, and at least one member of the minority party shall
16 be a member of the subcommittee. All meetings and expenditures
17 of a subcommittee shall be approved by the full committee in
18 advance of the meeting or expenditure, and the approval shall
19 be shown in the minutes of the committee.

20 Section 6. COMMITTEE DUTIES.--The committee shall:

21 A. direct the work of its staff and contractors;

22 B. adopt standards and guidelines for evaluating
23 requests for capital project funding;

24 C. adopt a standard capital project request form
25 that includes the information required by staff and the

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1 committee to evaluate requests;

2 D. prioritize capital project funding requests
3 based on the standards and guidelines and make recommendations
4 to the legislature for funding the prioritized projects; and

5 E. require periodic reports from state agencies,
6 institutions and instrumentalities that receive funding for
7 state and local capital projects to ensure that funded capital
8 projects are implemented in a cost-effective manner and are
9 consistent with the purpose of the appropriation, that projects
10 are proceeding in a timely manner and that money is reverted to
11 the funding source of the project in a timely manner.

12 Section 7. STAFF.--

13 A. The staff for the committee shall be provided by
14 the legislative council service.

15 B. The legislative council service may:

16 (1) subject to legislative appropriation,
17 appoint and employ such professional, technical and clerical
18 assistance as it and the committee deem necessary to carry out
19 the provisions of the Capital Projects Review Act; and

20 (2) enter into contracts for professional,
21 technical or clerical assistance as necessary to carry out the
22 provisions of the Capital Projects Review Act.

23 C. At the direction of the committee, the assigned
24 staff of the committee shall:

25 (1) conduct research and studies to improve

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1 the planning and prioritizing of capital projects and the
2 allocation of available resources;

3 (2) receive requests for capital project
4 funding from legislators, state agencies and political
5 subdivisions and investigate and evaluate them in accordance
6 with standards and guidelines adopted by the committee and make
7 recommendations to the committee concerning the efficacy of
8 proposed projects;

9 (3) conduct ongoing reviews of state and local
10 infrastructure capital improvement plans and report to the
11 committee;

12 (4) monitor expenditures of capital project
13 appropriations and report to the committee; and

14 (5) perform such other duties as requested by
15 the committee.

16 Section 8. EVALUATION AND PRIORITIES.--The committee and
17 staff shall consider the following when evaluating and
18 prioritizing capital project requests:

- 19 A. critical needs of the state;
20 B. whether the project meets a critical need;
21 C. whether the project is needed to address a
22 health and safety concern;
23 D. a project's priority on either a state or local
24 capital improvement plan;
25 E. consideration of the ability to phase the

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1 project if necessary and the availability of funding to
2 complete at least one full, workable project phase;

3 F. the ability of the ultimate governmental
4 recipient to provide adequate staff and funding for operations
5 and maintenance;

6 G. the expected life of the project;

7 H. whether there are alternatives to the capital
8 project as requested;

9 I. whether a requested renovation project will
10 forestall substantial capital outlay costs in the future;

11 J. the availability of sources other than state
12 funding for the capital project, including matching funds;

13 K. the most appropriate funding source for types of
14 projects; and

15 L. other considerations determined by the
16 committee.

17 Section 9. CERTAIN PROJECTS EXEMPT FROM COMMITTEE
18 REVIEW.--Unless otherwise provided by law, the following
19 proposed capital projects are exempt from committee review:

20 A. capital projects funded pursuant to the Public
21 School Capital Outlay Act;

22 B. capital projects that will be funded by loans or
23 grants from the New Mexico finance authority;

24 C. capital projects funded pursuant to the Tribal
25 Infrastructure Act; and

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1 D. capital projects authorized by the legislature
2 that are specifically excluded by law from the provisions of
3 the Capital Projects Review Act.

4 Section 10. INTERAGENCY COOPERATION.--

5 A. Each agency, institution and instrumentality of
6 the state and its political subdivisions shall, upon request,
7 assist the committee in evaluating and monitoring capital
8 projects. The committee shall cooperate with the legislative
9 finance committee, the department of finance and
10 administration, the general services department, the department
11 of environment, the department of transportation, the community
12 development council, the higher education department, other
13 state agencies and the New Mexico finance authority in carrying
14 out the provisions of the Capital Projects Review Act.

15 B. The agencies that fund exempt capital projects
16 or that approve capital project funding that have not been
17 evaluated by the committee, including community development
18 projects, transportation projects and loan or grant fund
19 projects, shall provide timely reports to the committee that
20 describe those projects and provide funding amounts and other
21 information requested by the committee to ensure interagency
22 coordination in the evaluation and funding of capital projects.

23 Section 11. REPORT.--The committee shall make a report of
24 its priority listing of capital projects and other findings and
25 recommendations for the consideration of the legislature by

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1 December 1 of each year.

2 Section 12. APPROPRIATION.--One hundred fifty thousand
3 dollars (\$150,000) is appropriated from legislative cash
4 balances to the legislative council service for expenditure in
5 fiscal years 2006 and 2007 to reimburse the per diem and
6 mileage expenses of the capital projects review committee
7 members and to pay the staff and other expenses of the
8 committee, including professional services of architects and
9 engineers. Payments from the appropriation shall be made on
10 warrants drawn by the secretary of finance and administration
11 on vouchers signed by the director of the legislative council
12 service or the director's authorized representative. Any
13 unexpended or unencumbered balance remaining at the end of
14 fiscal year 2007 shall revert to legislative cash balances.

15 Section 13. EMERGENCY.--It is necessary for the public
16 peace, health and safety that this act take effect immediately.