

1 SENATE BILL 297

2 **52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015**

3 INTRODUCED BY

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10 AN ACT

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

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

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

23 "6-3A-1. SHORT TITLE.--~~[Sections 1 through 8 of this act]~~
24 Chapter 6, Article 3A NMSA 1978 may be cited as the
25 "Accountability in Government Act"."

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

4 "6-3A-3. DEFINITIONS.--As used in the Accountability in
5 Government Act:

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

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

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

16 D. "committee" means the legislative finance
17 committee;

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

21 F. "division" means the state budget division of
22 the department of finance and administration;

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

25 (1) incorporates methods demonstrated to be

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1 effective for the intended population through scientifically
2 based research, including statistically controlled evaluations
3 or randomized trials;

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

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

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

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

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

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

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

22 ~~[K.]~~ M. "program" means a set of activities
23 undertaken in accordance with a plan of action organized to
24 realize identifiable goals and objectives based on legislative
25 authorization;

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1 N. "promising" means that a program or practice,
2 based on statistical analyses or preliminary research, presents
3 potential for becoming research-based or evidence-based;

4 O. "research-based" means that a program or
5 practice has some research demonstrating effectiveness, but
6 does not yet meet the standard of evidence-based; and

7 P. "sub-program" means a set of discrete uniquely
8 identifiable activities undertaken in accordance with a plan of
9 action organized to realize identifiable goals within an
10 approved program."

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

14 "6-3A-7. PERFORMANCE-BASED PROGRAM BUDGET REQUESTS.--

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

23 (1) a summary of each approved program,
24 including a justification for the program;

25 (2) for each approved program, an evaluation

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1 of the agency's progress in meeting the performance targets.
2 The evaluation shall be developed as prescribed in the budget
3 instructions;

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

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

12 (5) the results of the program inventory
13 pursuant to Section 5 of this 2015 act and a summary of how the
14 agency has prioritized evidence-based, research-based or
15 promising sub-programs within its performance-based program
16 budget request; and

17 [~~(5)~~] (6) any other information that the
18 division believes may be useful to the division or the
19 legislature in developing a budget for the agency.

20 B. On or before September 1 of each year, each
21 agency shall submit a performance-based program budget request
22 to the division and the committee in the form and manner
23 prescribed in the budget instructions. Budget requests
24 submitted pursuant to this section shall be in lieu of those
25 required by Section 6-3-19 NMSA 1978."

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1 SECTION 4. Section 6-3A-8 NMSA 1978 (being Laws 1999,
2 Chapter 5, Section 8 and Laws 1999, Chapter 15, Section 8, as
3 amended) is amended to read:

4 "6-3A-8. PERFORMANCE-BASED PROGRAM BUDGETS.--

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

9 (1) a budget recommendation for each approved
10 program;

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

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

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

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

20 [~~(5)~~] (6) any other criteria deemed relevant
21 by the governor or the committee.

22 B. For each agency, the governor's proposed budget
23 submitted pursuant to Section 6-3-21 NMSA 1978 and the
24 committee's budget recommendation pursuant to Section 2-5-4
25 NMSA 1978 may contain recommendations regarding incentives or

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1 disincentives for agency performance and implementation of
2 evidence-based, research-based or promising sub-programs.

3 Incentives or disincentives may apply to all or part of an
4 agency and may apply to any or all of an agency's approved
5 programs.

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

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

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

23 "[NEW MATERIAL] PROGRAM INVENTORY.--The division and the
24 committee shall approve a list of programs to inventory on or
25 before June 15 of each year. The division shall send to each

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1 agency required to submit a performance-based program budget
2 request a notification identifying the programs that have been
3 selected for the inventory. The notification shall set forth
4 the process for completing and submitting the program inventory
5 and shall direct each agency to:

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

9 B. compile an inventory that includes for each sub-
10 program:

11 (1) the goals and objectives of the sub-
12 program;

13 (2) current and historical budget and spending
14 data;

15 (3) the target population to be served;

16 (4) the number of persons served annually;

17 (5) any outcome data that demonstrates
18 efficiency and effectiveness;

19 (6) any data demonstrating that the sub-
20 program has proven cost beneficial in New Mexico or that the
21 sub-program is likely to be cost beneficial in New Mexico; and

22 (7) the results of any evaluations or audits
23 of the sub-program."