

1 AN ACT

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

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

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

14 "6-3A-1. SHORT TITLE.--Chapter 6, Article 3A NMSA 1978
15 may be cited as the "Accountability in Government Act"."

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

19 "6-3A-3. DEFINITIONS.--As used in the Accountability in
20 Government Act:

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

24 B. "approved program" means a program included in
25 an approved list of programs issued by the division pursuant

1 to Section 6-3A-4 NMSA 1978;

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

6 D. "committee" means the legislative finance
7 committee;

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

11 F. "division" means the state budget division of
12 the department of finance and administration;

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

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

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

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

23 H. "outcome" means the measurement of the actual
24 impact or public benefit of a program;

25 I. "output" means the measure of the volume of

1 work completed or the level of actual services or products
2 delivered by a program;

3 J. "performance-based program budget" means a
4 budget that identifies a total allowed expenditure for a
5 program and includes performance measures, performance
6 standards and program evaluations;

7 K. "performance measure" means a quantitative or
8 qualitative indicator used to assess the output or outcome of
9 an approved program;

10 L. "performance target" means the expected level
11 of performance of a program's performance measures;

12 M. "program" means a set of activities undertaken
13 in accordance with a plan of action organized to realize
14 identifiable goals and objectives based on legislative
15 authorization;

16 N. "promising" means that a program or practice,
17 based on statistical analyses or preliminary research,
18 presents potential for becoming research-based or
19 evidence-based;

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

23 P. "sub-program" means a set of discrete uniquely
24 identifiable activities undertaken in accordance with a plan
25 of action organized to realize identifiable goals within an

1 approved program."

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

5 "6-3A-7. PERFORMANCE-BASED PROGRAM BUDGET REQUESTS.--

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

14 (1) a summary of each approved program,
15 including a justification for the program;

16 (2) for each approved program, an evaluation
17 of the agency's progress in meeting the performance targets.
18 The evaluation shall be developed as prescribed in the budget
19 instructions;

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

23 (4) if a performance audit has been
24 conducted on an approved program during either the present or
25 any of the immediately preceding two fiscal years, any

1 responses that the agency may have to the audit and any
2 actions that the agency has taken as a result of the audit;

3 (5) the results of the program inventory
4 pursuant to Section 5 of this 2017 act and a summary of how
5 the agency has prioritized evidence-based, research-based or
6 promising sub-programs within its performance-based program
7 budget request; and

8 (6) any other information that the division
9 believes may be useful to the division or the legislature in
10 developing a budget for the agency.

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

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

20 "6-3A-8. PERFORMANCE-BASED PROGRAM BUDGETS.--

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

25 (1) a budget recommendation for each

1 approved program;

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

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

6 (4) an evaluation of the performance of each
7 approved program;

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

11 (6) any other criteria deemed relevant by
12 the governor or the committee.

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

22 C. Pursuant to Section 6-3-7 NMSA 1978, the
23 division shall prescribe forms and approve operating budgets
24 for agencies funded by performance-based program budgets;
25 however, the division shall not take any action that hinders

1 an agency from operating under a performance-based
2 appropriation or that is otherwise inconsistent with the
3 purposes of the Accountability in Government Act.
4 Notwithstanding the provisions of Sections 6-3-23 through
5 6-3-25 NMSA 1978, and absent specific authorization in the
6 general appropriation act or other act of the legislature, no
7 funds may be transferred either into or out of a
8 performance-based program budget.

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

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

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

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

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

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."