## HOUSE BILL 14

## 55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021

INTRODUCED BY

Meredith Dixon and Kristina Ortez

This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

## AN ACT

RELATING TO GOVERNMENT; ENACTING THE GRANTS ADMINISTRATION ACT; CREATING THE GRANTS ADMINISTRATION DIVISION; CREATING THE GRANT OPPORTUNITIES COUNCIL; PROVIDING POWERS AND DUTIES; CREATING A FUND HAFC->; MAKING APPROPRIATIONS (+ HAFC .

.218745.2AIC March 15, 2021 (2:41pm)

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

SECTION 1. Section 9-6-3 NMSA 1978 (being Laws 1977, Chapter 247, Section 3, as amended) is amended to read:

"9-6-3. DEPARTMENT OF FINANCE AND ADMINISTRATION--CREATION--TRANSFER AND MERGER OF DIVISION FUNCTIONS--MERGER AND CREATION OF DIVISIONS.--

A. The "department of finance and administration" is created. The department shall consist of those divisions created by law or executive order, as modified by executive order pursuant to Subsection C of this section, including but not limited to:

(1) the board of finance division;

(2) the financial control division;
(3) the grants administration division;
[<del>(3)</del>] <u>(4)</u> the local government division;

[(4)] (5) the management and contracts review

division; and

[<del>(5)</del>] <u>(6)</u> the state budget division.

B. The secretary is empowered to organize the department and the divisions thereof specified in Subsection A of this section and may transfer or merge functions between divisions in the interest of efficiency and economy.

C. The governor is empowered to merge divisions of the department or to create additional divisions by executive order in the interest of efficiency and economy."

.218745.2AIC March 15, 2021 (2:41pm)

- 2 -

<u>underscored material = new</u> [<del>bracketed material</del>] = delete Amendments: new = →bold, blue, highlight← <u>delete</u> = →bold, red, highlight, strikethrough← SECTION 2. A new section of Chapter 12 NMSA 1978 is enacted to read:

"[<u>NEW MATERIAL</u>] SHORT TITLE.--Sections 2 through 6 of this act may be cited as the "Grants Administration Act"."

SECTION 3. A new section of Chapter 12 NMSA 1978 is enacted to read:

"[<u>NEW MATERIAL</u>] DEFINITIONS.--As used in the Grants Administration Act:

A. "council" means the grant opportunities council;

B. "department" means the department of finance and administration;

C. "division" means the grants administration division of the department;

D. "fund" means the matching grant fund;

E. "local government" means a county, municipality, school district, charter school, council of governments, land grant-merced or other special or regional planning and development district; and

F. "state agency" means any branch, department, agency, institution, board, bureau, commission, district or committee of government of the state."

SECTION 4. A new section of Chapter 12 NMSA 1978 is enacted to read:

"[<u>NEW MATERIAL</u>] GRANTS ADMINISTRATION DIVISION--PURPOSE--POWERS AND DUTIES.--

.218745.2AIC March 15, 2021 (2:41pm)

- 3 -

<u>underscored material = new</u> [<del>bracketed material</del>] = delete Amendments: <mark>new</mark> = →bold, blue, highlight← <del>delete</del> = →bold, red, highlight, strikethrough♥ A. The "grants administration division" of the department is created. The division shall develop and implement a streamlined, efficient and sustainable grant process HAFC→for←HAFC HAFC→that may be used by←HAFC state agencies and local governments HAFC→so that those governments may←HAFC HAFC→to more easily←HAFC procure, implement, manage and sustain grant funding in their localities to augment current resources or provide opportunities to introduce innovative programming at less financial risk to the government.

B. The division shall manage the grant functions of the secretary of finance and administration and the department. The division shall:

(1) review federal grant applications and provide grant management assistance to state agencies and local governments HAFC→as requested ← HAFC ;

(2) provide technical assistance to state agency and local government grant writers;

(3) conduct grant-writing workshops for state agencies and local governments;

(4) provide services and education to ensure best practices by grantees through the life cycle of the grant process, including best practices for fiscal and programmatic accountability;

(5) conduct an annual grants survey of state
 .218745.2AIC March 15, 2021 (2:41pm)

 - 4 

agencies and local governments to identify needs and to provide a gap analysis of resources needed to track, apply and manage grant opportunities;

(6) provide pre-application coordination and collaboration between state and local government agencies and assist state and local governments in developing grant proposals;

(7) serve as the state grants clearinghouse and identify federal and other public and private grant and donation opportunities of interest to governmental agencies HAFC2→and nonprofit organizations focused on community needs;←HAFC2

(8) maintain a website that includes periodic information on the availability of federal and other public and private grants and donation opportunities by topic;

(9) work with the Indian affairs department to identify grant opportunities for tribal governments within New Mexico and provide technical assistance and training in grant writing and grant management; and

(10) perform other duties to carry out the provisions of the Grants Administration Act or those assigned by the secretary of finance and administration.

C. The division may:

HAFC2→(1) network and collaborate with

<del>nonprofit organizations to optimize grant dollars coming into</del>

.218745.2AIC March 15, 2021 (2:41pm)

- 5 -

the state for the public good; + HAFC2

 $HAFC2 \rightarrow (2) \leftarrow HAFC2 HAFC2 \rightarrow (1) \leftarrow HAFC2$ regional working groups of grant-seeking governmental agencies and work groups of grant professionals; and

form

HAFC2→(3)←HAFC2 HAFC2→(2)←HAFC2 promulgate rules to implement the provisions of the Grants Administration Act."

SECTION 5. A new section of Chapter 12 NMSA 1978 is enacted to read:

"[NEW MATERIAL] MATCHING GRANT FUND--CREATED--PURPOSE--APPLICATIONS . - -

The "matching grant fund" is created as a Α. nonreverting fund in the state treasury, consisting of appropriations, gifts, grants and donations. The fund shall be administered by the division, and money in the fund is HAFC->appropriated to the division + HAFC HAFC->subject to appropriation by the legislature HAFC to help state agencies and local governments meet matching requirements of federal and other grants. Expenditures from the fund shall be on warrants of the secretary of finance and administration on vouchers signed by the director or the director's authorized representative.

Β. The division shall establish standards of eligibility and criteria for prioritizing match applications for funding from the matching grant fund. Application shall be .218745.2AIC March 15, 2021 (2:41pm) - 6 -

highlight, strikethrough →bold, blue, highlight bracketed material] = delete underscored material = new new Amendments:

on forms provided by the division and include all the information required by the division."

SECTION 6. A new section of Chapter 12 NMSA 1978 is enacted to read:

"[NEW MATERIAL] GRANT OPPORTUNITIES COUNCIL.--

The "grant opportunities council" is created and Α. is administratively attached to the division. The council consists of:

(1)the director of the local government division of the department or the director's designee; and

the following members appointed by the (2) governor:

three county representatives, (a) HSEIC→one ← HSEIC each HSEIC → representing ← HSEIC HSEIC→from←HSEIC a small-, medium- HSEIC→or←HSEIC

**HSEIC**→**and**←**HSEIC** large-population county;

(b) three municipal representatives,

HSEIC→one←HSEIC each HSEIC→representing←HSEIC

HSEIC→from←HSEIC a small-, medium- HSEIC→or←HSEIC

**HSEIC**→**and**←**HSEIC** large-population municipality;

(c) three representatives of other local

governments;

SHPAC→(d) two representatives of

nonprofit organizations focused on community needs;

.218745.2AIC

March 15, 2021 (2:41pm) - 7 -

## SHPAC→(e)←SHPAC SHPAC→(d)←SHPAC two

grant professionals who have experience writing and administering grants; and

SHPAC→(f)←SHPAC SHPAC→(e)←SHPAC one local staff member of a member of the New Mexico congressional delegation.

B. The governor shall invite the director of the New Mexico field office of the rural utilities service of the United States department of agriculture and other federal representatives in New Mexico to participate in the activities of the council.

C. Members appointed by the governor shall serve at the pleasure of the governor. Members who are not paid with public funds are entitled to per diem and mileage as provided for state employees in the Per Diem and Mileage Act, but shall receive no other compensation, perquisite or allowance.

D. The council shall elect a chair and vice chair. The division shall serve as staff for the council. The council shall meet regularly at the call of the chair.

E. The council shall advise the division on grant matters, including:

(1) methods and models for identifying,procuring, using and maintaining federal and other grants;

(2) identification of barriers to state agencies' and local governments' procuring and managing federal

.218745.2AIC March 15, 2021 (2:41pm)

- 8 -

<u>inderscored material = new</u> [<del>bracketed material</del>] = delete Amendments: new = →bold, blue, highlight← <del>lelete</del> = →bold, red, highlight, strikethrough¢ and other grants;

(3) best practices for managing and accounting for grants;

(4) the contents and analyses of the annual grants survey; and

(5) other grant topics requested by division or the department.

F. The council shall make findings and recommendations to the division, the department, the governor and the legislature by December 1 of each year."

HAFC→SECTION 7. APPROPRIATIONS.--

A. Five hundred thousand dollars (\$500,000) is appropriated from the general fund to the department of finance and administration for expenditure in fiscal year 2022 to establish the grants administration division and carry out the purposes of the Grants Administration Act. Any unexpended or unencumbered balance remaining at the end of fiscal year 2022 shall revert to the general fund.

B. One million dollars (\$1,000,000) is appropriated from the general fund to the matching grant fund for expenditure in fiscal year 2022 and subsequent fiscal years to carry out the purposes of the fund. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert.←HAFC

.218745.2AIC March 15, 2021 (2:41pm)