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SENATE BILL 245

56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024

INTRODUCED BY

Bill Tallman

AN ACT

RELATING TO CAPITAL EXPENDITURES; CREATING THE JOINT INTERIM
PUBLIC WORKS COMMITTEE; PROVIDING POWERS AND DUTIES; REQUIRING
THE PUBLIC WORKS COMMITTEE TO HEAR PROPOSALS FOR AND REVIEW
CAPITAL OUTLAY-FUNDED PROJECTS AND MAKE RECOMMENDATIONS TO THE
LEGISLATURE; MAKING AN APPROPRIATION.

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

SECTION 1. A new section of Chapter 2 NMSA 1978 is
enacted to read:

"NEW MATERIAL] PUBLIC WORKS COMMITTEE--CREATED--
MEMBERSHIP--DUTIES.--

A. As used in this section and Section 2 of this
2024 act:

(1) "committee" means the joint interim public
works committee; and

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(2) "stale capital project" means:

(a) a capital project for which bonds have not been issued within two years of legislative authorization; or

(b) a capital project for which bonds have been issued but the project has not commenced or is not an active capital project on track to meet internal revenue service requirements for completion of the project.

B. The joint interim legislative "public works committee" is created. The speaker of the house of representatives, in consultation with the minority floor leader of the house of representatives, shall appoint five members of the house of representatives to serve as members of the committee: three from the majority party and two from the minority party. The committees' committee of the senate shall appoint five members of the senate to serve as members of the committee, unless the senate appointments are made in the interim, in which case the president pro tempore of the senate, in consultation with the minority floor leader of the senate, shall make the appointments in consultation with and with the agreement of a majority of the members of the senate committees' committee. Three members of the senate shall be appointed from the majority party, and two members of the senate shall be appointed from the minority party. The speaker of the house of representatives and the senate committees'

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1 committee or the president pro tempore of the senate, as
2 applicable, shall select the committee's chair and vice chair,
3 whose seats in these positions shall rotate each year. No
4 action shall be taken by the committee if a majority of the
5 total membership from either house on the committee rejects
6 such action.

7 C. Each biennium, the members of the committee
8 shall appoint five public members who have expertise in the
9 fields of architecture, engineering, commercial construction or
10 public finance to serve as members of the committee; provided
11 that no more than three public members shall be from the same
12 political party. Public members may be reappointed. Public
13 members are entitled to receive per diem and mileage as
14 provided in the Per Diem and Mileage Act but shall receive no
15 other compensation, perquisite or allowance.

16 D. The committee shall be staffed by the
17 legislative council service and the legislative finance
18 committee. The committee may request assistance from state
19 agencies, public post-secondary educational institutions,
20 political subdivisions of the state and other experts.

21 E. The committee shall submit a final report at the
22 end of each interim that includes findings and recommendations
23 to the legislature on proposed capital projects."

24 SECTION 2. A new section of Chapter 2 NMSA 1978 is
25 enacted to read:

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1 "[NEW MATERIAL] COMMITTEE--ADDITIONAL POWERS AND DUTIES--
2 CAPITAL PROJECT REVIEW.--

3 A. To carry out its duties, the committee:

4 (1) shall consult and coordinate with state
5 agencies charged with capital planning for the state and for
6 the review of local government infrastructure capital
7 improvements plans;

8 (2) shall hold hearings during the interim to
9 receive testimony on proposed and existing capital projects;

10 (3) may request additional information on a
11 capital project at any point in the review process;

12 (4) shall evaluate proposed capital projects
13 using a set of criteria developed and published by the
14 committee for ranking and prioritizing projects, including
15 considerations of:

16 (a) the impact of the capital project on
17 public health and safety;

18 (b) the capital project's financial or
19 programmatic benefit to the state or a region or community of
20 the state, including the potential for creating jobs or
21 expanding the economy of the state, region or community;

22 (c) similar or complementary proposed or
23 authorized capital projects;

24 (d) the potential operational impact on
25 the state or political subdivision of the state once the

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1 capital project is completed;

2 (e) the scheduling and time line of the
3 capital project;

4 (f) whether the proposed funding is
5 sufficient to finance the capital project and what other
6 funding sources are available for the project;

7 (g) whether the capital project can be
8 fully completed within the authorization and implementation
9 cycle or, if not completed, can be phased in such a way that
10 each phase completes a definable, functional stage of the
11 overall capital project and external factors;

12 (h) whether the capital project is
13 included as a priority in the infrastructure capital
14 improvements plan adopted by a state agency or local
15 government; and

16 (i) which capital outlay funding source
17 is the most appropriate for the capital project and meets
18 internal revenue service requirements for capital projects
19 funded by tax-exempt bonds;

20 (5) shall monitor capital project balances to
21 track timely drawdowns and reversions; and

22 (6) shall develop a list of prior authorized
23 capital projects that includes:

24 (a) stale capital projects that are void
25 for lack of timely certification;

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1 (b) stale capital projects for which
2 bond proceeds have not been spent; and

3 (c) recommendations to the legislature
4 for capital projects that are shovel ready and can be started
5 immediately, completed within allowable time and within
6 available bond proceeds from stale capital projects pursuant to
7 Subparagraph (b) of this paragraph.

8 B. The committee shall submit a report of its
9 findings, including specific recommendations, to the New Mexico
10 legislative council, the legislative finance committee and the
11 legislature no later than November 1 of each year."

12 SECTION 3. APPROPRIATION.--Two hundred ten thousand
13 dollars (\$210,000) is appropriated from the general fund to the
14 legislative council service for expenditure in fiscal year 2025
15 to pay costs associated with two additional full-time-
16 equivalent research staff positions in the capital outlay
17 office and to pay other expenses associated with the public
18 works committee. Any unexpended or unencumbered balance
19 remaining at the end of fiscal year 2025 shall revert to the
20 general fund.