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AN ACT

RELATING TO PUBLIC MONEY; CREATING THE GOVERNOR'S CONTINGENCY  
FUND IN THE STATE TREASURY; REQUIRING EXPENDITURES FROM THE  
FUND TO COMPLY WITH STATE LAW; REQUIRING ANNUAL AUDITS OF THE  
FUND; CLARIFYING USES OF THE FUND.

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

SECTION 1. GOVERNOR'S CONTINGENCY FUND--CREATED--

PURPOSE--AUDITS.--The "governor's contingency fund" is  
created in the state treasury. The governor's office shall  
administer the fund, and money in the fund shall be expended  
by the governor's office to pay for expenses directly  
connected with obligations of the elected office of governor.  
Expenditures from the fund shall be by warrant of the  
secretary of finance and administration upon vouchers signed  
by the governor or the governor's authorized representative.  
Any unexpended or unencumbered balance remaining at the end  
of a fiscal year shall revert to the general fund. Money in  
the fund shall not be used to pay or supplement the salary of  
the governor or any state employee or as perquisites or  
allowances for state employees. The fund is subject to the  
provisions of the Audit Act, the Procurement Code, the  
Inspection of Public Records Act and all other applicable  
laws and rules. The governor shall provide monthly reports  
to the department of finance and administration and the

1 legislative finance committee about expenditures from the  
2 fund, including an itemized list of expenditures and the  
3 balance remaining in the fund.

4 SECTION 2. Section 10-8-5 NMSA 1978 (being Laws 1978,  
5 Chapter 184, Section 4, as amended) is amended to read:

6 "10-8-5. RESTRICTIONS--RULES.--

7 A. The secretary may promulgate rules for state  
8 agencies and local public bodies for the purpose of carrying  
9 out the provisions of the Per Diem and Mileage Act. Public  
10 officials of public post-secondary educational institutions  
11 and employees of public post-secondary educational  
12 institutions shall be subject to the rules of their governing  
13 boards.

14 B. Public funds may be advanced to any public  
15 officer or employee before the travel occurs only with prior  
16 written approval of the secretary, the secretary's designee,  
17 the local public body or the governing board or its designee.  
18 This restriction shall not prohibit the use of authorized  
19 credit cards in connection with purchases necessary to the  
20 use of vehicles owned by the state, a local public body or a  
21 public post-secondary educational institution or for food,  
22 lodging or transportation as permitted by the department of  
23 finance and administration or the governing board. Public  
24 funds shall be paid out under the Per Diem and Mileage Act  
25 only upon vouchers duly presented with any required receipts

1 attached thereto. For employees authorized to receive public  
2 funds in advance of travel, payment shall be received only  
3 upon vouchers submitted with attached authorization for each  
4 travel period. For public officers or employees using  
5 authorized credit cards, vouchers with required receipts for  
6 each month's travel expenses shall be submitted as a  
7 condition to receiving authorization to use the credit card  
8 for the next month's travel. Travel expenses may also be  
9 advanced if the travel is to be performed under provisions of  
10 federal or private contracts and the funds used are not  
11 derived from taxes or revenues paid to the state or any of  
12 its political subdivisions.

13 C. The secretary may reduce the rates set for the  
14 per diem and mileage for any class of public officials and  
15 for employees of state agencies, except public officials of  
16 public post-secondary educational institutions, at any time  
17 the secretary deems it to be in the public interest, and such  
18 reduction shall not be construed to permit payment of any  
19 other compensation, perquisite or allowance. The secretary  
20 shall exercise this power of reduction in a reasonable manner  
21 and shall attempt to achieve a standard rate for all public  
22 officers and employees of the same classification. The  
23 secretary may, at the request of any state agency and for  
24 good cause shown, reduce the rates of per diem and mileage  
25 for that state agency. The governing body of any local

1 public body may eliminate or may reduce the rates set for the  
2 per diem and mileage for all or any class of public officials  
3 and employees of the local public body at any time the local  
4 public body deems it to be in the public interest, and such  
5 reduction shall not be construed to permit payment of any  
6 other compensation, perquisite or allowance. The local  
7 public body shall exercise this power of reduction in a  
8 reasonable manner and shall attempt to achieve a standard  
9 rate for all public officers and employees of the same  
10 classification. The secretary may, in extraordinary  
11 circumstances and with the prior approval of the state board  
12 of finance in public meeting, allow actual expenses rather  
13 than the per diem rates set in the Per Diem and Mileage Act.

14 D. The governing board or its designee may reduce  
15 the rates set for the per diem and mileage for public  
16 officials of public post-secondary educational institutions  
17 and for employees of public post-secondary educational  
18 institutions at any time the governing board deems it to be  
19 in the public interest, and such reduction shall not be  
20 construed to permit payment of any other compensation,  
21 perquisite or allowance. The governing board shall exercise  
22 this power of reduction in a reasonable manner and shall  
23 attempt to achieve a standard rate for public officers and  
24 employees of public post-secondary educational institutions.

25 The governing board may reduce the rates of per diem and

1 mileage for its public post-secondary educational institution  
2 and may, in extraordinary circumstances and in public  
3 meeting, allow actual expenses rather than the per diem rates  
4 set in the Per Diem and Mileage Act.

5 E. No reimbursement for out-of-state travel shall  
6 be paid to any elected public officer, including any member  
7 of the legislature, if after the last day to do so that  
8 officer has not filed a declaration of candidacy for  
9 reelection to the public officer's currently held office or  
10 has been defeated for reelection to the public officer's  
11 currently held office in a primary election or any general  
12 election.

13 F. Subsection E of this section does not apply to  
14 any elected public officer who is ineligible to serve another  
15 term after serving the public officer's term in office.

16 G. Subsection E of this section does not apply to  
17 legislators whose travel has been approved by a  
18 three-fourths' vote of the New Mexico legislative council at  
19 a regularly called meeting.

20 H. Any person who is not an employee, appointee or  
21 elected official of a county or municipality and who is  
22 reimbursed under the provisions of the Per Diem and Mileage  
23 Act in an amount that singly or in the aggregate exceeds one  
24 thousand five hundred dollars (\$1,500) in any one year shall  
25 not be entitled to further reimbursement under the provisions

1 of that act until the person furnishes in writing to the  
2 person's department head or, in the case of a department head  
3 or board or commission member, to the governor or, in the  
4 case of a member of the legislature, to the New Mexico  
5 legislative council an itemized statement on each separate  
6 instance of travel covered within the reimbursement, the  
7 place to which traveled and the executive, judicial or  
8 legislative purpose served by the travel."

9 SECTION 3. APPLICABILITY.--The initial audit conducted  
10 pursuant to Section 1 of this act shall be only for  
11 expenditures occurring on or after January 1, 2019.

12 SECTION 4. EFFECTIVE DATE.--The effective date of the  
13 provisions of this act is January 1, 2019. \_\_\_\_\_

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