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SENATE BILL 667

45TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2001

INTRODUCED BY

Pete Campos

AN ACT

RELATING TO CAPITAL PROJECTS; ENACTING THE CAPITAL PROJECTS ACT; CREATING THE CAPITAL PROJECTS COUNCIL; PROVIDING PROCEDURES FOR EVALUATING AND PRIORITIZING PROPOSED CAPITAL PROJECTS; MAKING APPROPRIATIONS.

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

Section 1. SHORT TITLE. -- This act may be cited as the "Capital Projects Act".

Section 2. FINDINGS AND PURPOSE. --

A. The legislature finds that:

(1) the cost of needed state and local capital improvement and infrastructure projects annually exceeds the available funding resources;

(2) it has become difficult to adequately evaluate and prioritize proposed capital outlay projects to

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1 ensure that the available resources are expended in the most
2 cost-effective manner; and

3 (3) the current system for evaluating and
4 prioritizing proposed capital outlay projects could be
5 improved by delegating those functions to independent experts.

6 B. The purpose of the Capital Projects Act is to
7 create a council of experts to evaluate and prioritize
8 proposed statewide and local capital outlay projects and to
9 monitor and oversee projects authorized by the legislature to
10 ensure that appropriations are expended in the most cost-
11 effective manner.

12 Section 3. DEFINITIONS.--As used in the Capital Projects
13 Act:

14 A. "capital project" means repair, renovation or
15 construction of a facility; purchase of land; or acquisition
16 of capital equipment of a long-term nature;

17 B. "council" means the capital projects council;
18 and

19 C. "fund" means the capital projects fund.

20 Section 4. CAPITAL PROJECTS COUNCIL-- CREATION--
21 APPOINTMENT.--

22 A. The "capital projects council" is created. The
23 council shall consist of seventeen members as follows:

24 (1) the secretary of finance and
25 administration;

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- 1 (2) the secretary of general services;
- 2 (3) the superintendent of public instruction;
- 3 (4) the secretary of highway and
- 4 transportation;
- 5 (5) a member of the house of representatives,
- 6 appointed by the speaker of the house;
- 7 (6) a member of the senate, appointed by the
- 8 president pro tempore of the senate;
- 9 (7) a member representing post-secondary
- 10 four-year state educational institutions;
- 11 (8) a member representing post-secondary two-
- 12 year public educational institutions;
- 13 (9) a member representing Native American
- 14 nations, tribes and pueblos;
- 15 (10) a member representing the
- 16 municipalities;
- 17 (11) a member representing the counties;
- 18 (12) a member representing the construction
- 19 industry; and
- 20 (13) five members representing the public at
- 21 large, each one residing in a different public regulation
- 22 commission district as determined pursuant to the Public
- 23 Regulation Commission Apportionment Act.

24 B. The members designated in Paragraphs (7)

25 through (13) of Subsection A of this section shall:

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1 (1) be appointed for three-year terms by the
2 governor with the advice and consent of the senate; provided
3 that four of the initial members shall be appointed for one-
4 year terms, four shall be appointed for two-year terms and
5 three shall be appointed for three-year terms;

6 (2) have expertise in capital financing,
7 planning or construction;

8 (3) serve until their successors have been
9 qualified;

10 (4) be appointed in such a manner that
11 reflects the ethnic, economic, geographic and professional
12 diversity of the state;

13 (5) be appointed in such a manner so that no
14 more than six shall be members of the same political party;
15 and

16 (6) be removed only in the manner provided
17 for removal of members of boards of regents under Article 12,
18 Section 13 of the constitution of New Mexico.

19 C. The council shall elect a chairman and such
20 other officers as it deems necessary. The council shall meet
21 at the call of the chairman and shall meet not less than
22 quarterly. Public members of the council shall receive per
23 diem and mileage expenses pursuant to the Per Diem and Mileage
24 Act.

25 Section 5. CAPITAL PROJECTS COUNCIL-- POWERS-- DUTIES. --

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A. The council may:

(1) subject to legislative appropriation, appoint and employ such professional, technical and clerical assistance as it deems necessary to carry out the provisions of the Capital Projects Act;

(2) enter into those contracts, including joint powers agreements, necessary to carry out the provisions of the Capital Projects Act;

(3) conduct research and studies to improve the planning and prioritizing of capital projects and the allocation of available resources;

(4) apply for and receive grants and donations in the name of the state to carry out the provisions of the Capital Projects Act;

(5) appoint such committees and subcommittees as are necessary to perform its duties; and

(6) adopt rules necessary to carry out the provisions of the Capital Projects Act.

B. The council shall:

(1) prepare an annual operating budget for submission to the legislature;

(2) after July 1, 2002, pursuant to Section 7 of the Capital Projects Act, accept proposals for capital projects, prioritize the proposals and, by December 1, 2002 and each year thereafter, make recommendations to the

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1 legislature for funding the prioritized projects;

2 (3) for capital projects specifically
3 authorized by the legislature after January 1, 2002 and funded
4 by appropriations to the fund, enter into those agreements
5 necessary to complete the capital project, including such
6 reporting requirements and conditions as are necessary to
7 ensure that the projects are completed in a timely and cost-
8 effective manner;

9 (4) coordinate all planning, oversight,
10 monitoring and reporting functions of state government
11 regarding capital projects authorized by law. All agencies,
12 political subdivisions, instrumentalities and institutions of
13 the state shall assist the council in complying with this
14 requirement. For capital projects authorized but not finished
15 prior to July 1, 2002, all agencies, political subdivisions,
16 instrumentalities and institutions of the state that have been
17 authorized to receive or distribute appropriations for those
18 capital projects shall submit such reports and information to
19 the council as required by rule of the council. The
20 provisions of this paragraph do not apply to:

21 (a) capital projects funded pursuant to
22 the Public School Capital Outlay Act;

23 (b) capital improvements funded
24 pursuant to the Public School Capital Improvements Act; and

25 (c) capital projects authorized by

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1 legislation enacted after July 1, 2001 that specifically
2 excludes the capital project from the provisions of the
3 Capital Projects Act;

4 (5) develop criteria and procedures for
5 evaluating and prioritizing proposals for capital projects;
6 and

7 (6) develop such reporting requirements for
8 capital projects as are necessary to ensure that the projects
9 are implemented in a cost-effective manner and consistent with
10 the original purpose.

11 Section 6. CAPITAL PROJECTS FUND. --

12 A. The "capital projects fund" is created. The
13 fund shall consist of appropriations made by the legislature
14 and grants, bequests and gifts received by the council. Money
15 in the fund may be used only for capital projects authorized
16 by the legislature. Except as provided in the Severance Tax
17 Bonding Act for unexpended severance tax bond proceeds, money
18 in the fund shall not revert.

19 B. Money in the fund shall be disbursed by warrant
20 of the department of finance and administration on vouchers
21 signed by the secretary of finance and administration.

22 Section 7. CAPITAL PROJECTS PRIORITIZATION. --

23 A. After July 1, 2002, any agency, political
24 subdivision, instrumentality or institution of the state may
25 submit a proposal for a capital project to the council. Each

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1 proposal shall contain:

2 (1) a detailed description of the proposed
3 project;

4 (2) an explanation of the need for the
5 proposed project;

6 (3) a description of the prime beneficiaries
7 of the proposed project;

8 (4) the estimated total cost of the proposed
9 project and an explanation of how the cost was derived;

10 (5) the amount and source of any matching
11 funds;

12 (6) an explanation of how the project will be
13 implemented and maintained and the amount and source of
14 estimated implementation and maintenance costs; and

15 (7) any other information required by rule of
16 the council.

17 B. Upon receipt of a proposal, the council shall
18 investigate the statements and facts contained therein and
19 shall conduct such site visits and hearings as it deems
20 necessary. The council shall consider all proposals and,
21 after a public hearing, shall list all proposals in order of
22 priority.

23 Section 8. TEMPORARY PROVISIONS. --

24 A. All existing balances in the capital projects
25 fund repealed by Section 10 of this act shall be transferred

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1 to the capital projects fund created by Section 6 of the
2 Capital Projects Act.

3 B. During fiscal year 2002, the capital projects
4 council shall organize and perform its duties pursuant to the
5 Capital Projects Act; except that the council shall not accept
6 and prioritize proposals and make recommendations to the
7 legislature as provided in Paragraph (2) of Subsection B of
8 Section 5 of that act. The council shall submit to the second
9 session of the forty-fifth legislature the criteria and
10 procedures for evaluating and prioritizing proposals and the
11 reporting requirements developed pursuant to Paragraphs (5)
12 and (6) of Subsection B of Section 5 of the Capital Projects
13 Act together with any recommendations of the council for
14 proposed legislation.

15 Section 9. APPROPRIATION. -- Two hundred thousand dollars
16 (\$200,000) is appropriated from the general fund to the
17 capital projects council for expenditure in fiscal year 2002
18 for the purpose of carrying out the provisions of the Capital
19 Projects Act. Any unexpended or unencumbered balance
20 remaining at the end of fiscal year 2002 shall revert to the
21 general fund.

22 Section 10. REPEAL. -- Section 15-3-24.1 NMSA 1978 (being
23 Laws 1989, Chapter 315, Section 1) is repealed.

24 Section 11. EFFECTIVE DATE. -- The effective date of the
25 provisions of this act is July 1, 2001.

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