

1 SENATE JOINT MEMORIAL 21

2 **49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010**

3 INTRODUCED BY

4 Pete Campos

5
6
7
8
9
10 A JOINT MEMORIAL

11 REQUESTING THE LEGISLATIVE FINANCE COMMITTEE, THE DEPARTMENT OF
12 FINANCE AND ADMINISTRATION AND THE LEGISLATIVE COUNCIL SERVICE
13 TO COLLABORATE ON A PROCESS TO PRIORITIZE, REVIEW AND MONITOR
14 CAPITAL OUTLAY PROJECTS.

15
16 WHEREAS, the state currently has no uniform means for
17 setting priorities for the expenditure of capital outlay
18 funding when some capital outlay funds reflect the priorities
19 of legislators and others reflect the priorities of the
20 governor; and

21 WHEREAS, uniformity of evaluation becomes even more
22 difficult when some capital outlay projects are well on their
23 way to completion while other exciting initiatives languish for
24 lack of start-up money; and

25 WHEREAS, the needs of legislative districts vary so widely

.180884.1

underscored material = new
[bracketed material] = delete

underscored material = new
[bracketed material] = delete

1 that some districts may lack even minimally graded roads that
2 enable students to attend schools while others refine the
3 texture of asphalt at baseball field parking lots, and some
4 districts have no playgrounds while others use capital outlay
5 funds to refurbish elegant buildings; and

6 WHEREAS, some capital outlay projects that otherwise would
7 not be evaluated as a high priority become a priority if they
8 must meet a deadline in order to draw down matching funds from
9 other sources, and matching funds can save the state money in
10 the long run; and

11 WHEREAS, setting priorities so that the state's voters are
12 treated equitably can be next to impossible, given the variety
13 of needs, the levels of project completion and the urgency
14 presented in communities across the state; and

15 WHEREAS, some capital outlay projects can be funded in
16 phases while others require all of the money at once in order
17 to be completed; and

18 WHEREAS, even though basic capital outlay priorities lack
19 a standard framework for evaluation, models of evaluation have
20 already been set for public schools, for roads with federal
21 funding and for New Mexico Finance Authority Act projects; and

22 WHEREAS, it appears that a committee or working group
23 representing competing interests presented by geographic and
24 population disparity would be helpful in sorting through
25 priorities and devising a framework by which to weigh the need

.180884.1

underscored material = new
[bracketed material] = delete

1 for, versus the availability of, capital outlay funds; and

2 WHEREAS, while oversight and review of existing projects
3 are currently provided by a variety of departments with a
4 variety of standards, a single mode of evaluation and review
5 would aid the state in deciding whether to continue or to
6 divert funds that have been allocated to a capital outlay
7 project;

8 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE
9 STATE OF NEW MEXICO that the legislative finance committee, the
10 department of finance and administration and the legislative
11 council service be requested to collaborate on a process to
12 prioritize, review and monitor capital outlay projects; and

13 BE IT FURTHER RESOLVED that the three entities establish a
14 capital outlay planning and review committee; and

15 BE IT FURTHER RESOLVED that the committee be granted the
16 authority to request an audit by the state auditor or a
17 financial compliance or performance audit by the department of
18 finance and administration or the legislative finance
19 committee; and

20 BE IT FURTHER RESOLVED that, by January 1, 2011, the
21 committee recommend to the legislature through the appropriate
22 interim committee a framework for:

23 A. making priority-setting for capital outlay
24 projects more uniform;

25 B. establishing procedures to ensure current and

.180884.1

underscoring material = new
[bracketed material] = delete

1 complete accounting and reporting on capital projects; and
2 C. analyzing requests in light of the critical
3 needs of the state; the need for the capital project; the
4 ability to phase the capital project, if necessary; the ability
5 of the recipient to provide adequate staffing and funding for
6 future operations; the expected useful life of the capital
7 project; the available alternatives to the capital project; the
8 availability of matching funds; and other considerations as
9 determined by the committee; and

10 BE IT FURTHER RESOLVED that the capital outlay planning
11 and review committee invite representatives of federal agencies
12 that provide loans and grants to New Mexico communities to
13 participate in its meetings and invite others who influence the
14 amount and type of funding available for capital outlay
15 projects; and

16 BE IT FURTHER RESOLVED that copies of this memorial be
17 transmitted to the legislative finance committee, the
18 department of finance and administration and the legislative
19 council service.