## SENATE JOINT MEMORIAL 9

## 50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011

## INTRODUCED BY

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A JOINT MEMORIAL

REQUESTING STATE, COUNTY, LOCAL AND TRIBAL GOVERNMENTS TO PRODUCE AN INVENTORY OF CAPITAL OUTLAY PROJECTS THAT HAVE BROKEN GROUND BUT ARE INCOMPLETE.

WHEREAS, since the 2009 legislative session, more attention has been focused on reverting capital outlay funding than on appropriating money for new projects throughout the state; and

WHEREAS, the legislature covered the fiscal year 2009 budget shortfall in a timely manner through the introduction and passage of a "solvency package", which among other things helped to shore up the state's general fund balances by voiding previous nonrecurring general fund appropriations for capital projects and sweeping balances in other special funds into the general fund; and

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WHEREAS, early in fiscal year 2010, it became evident that actual recurring revenue estimates were much lower than projected, with a resulting shortfall larger than the 2009 solvency package covered; and

WHEREAS, the 2009 legislature directed the legislative council service, the legislative finance committee and the department of finance and administration to review all unexpended capital outlay appropriations and identify one hundred fifty million dollars (\$150,000,000) of voidable general fund projects, which resulted in reverting and sweeping balances of projects determined to be at a standstill; and

WHEREAS, a similar process needs to be put into place to continue the legislature's oversight of capital outlay projects once money has been appropriated to them; and

WHEREAS, in the past few years the legislature has focused on reviewing funded capital outlay projects to identify those that are "shovel ready" and to void those that have been tying up state funds for many years; and

WHEREAS, difficult as it is to take away what has been given to state, county, local and tribal governments in the form of capital outlay projects, as this legislative session begins, the legislative finance committee reports that there is approximately six hundred eighty-eight million dollars (\$688,000,000) outstanding for about one thousand five hundred capital projects; and

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WHEREAS, it is clear that a review process for capital outlay needs to continue in order to ensure that the state's money is being spent wisely and appropriately; and

WHEREAS, there is no nonrecurring general fund money available for capital outlay in the 2011 legislative session; and

WHEREAS, throughout the state there are capital projects that have been begun and remain unfinished due to lack of sufficient and continued funding for these projects;

NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO that all state, county, local and tribal governmental entities be requested to conduct a survey that inventories capital project progress and assesses which projects have been completed and which remain unfinished and in need of further funding to complete; and

BE IT FURTHER RESOLVED that each governmental entity report its findings to the legislative council service, the legislative finance committee and the department of finance and administration by July 30, 2011; and

BE IT FURTHER RESOLVED that representatives from the legislative council service, legislative finance committee and department of finance and administration report the inventory of capital projects throughout the state that require further funding to complete and recommend procedures to the second session of the fiftieth legislature for finishing these

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projects; and

BE IT FURTHER RESOLVED that copies of this memorial be transmitted to the directors of the legislative council service and the legislative finance committee and the secretary of finance and administration.

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