

1 AN ACT
2 RELATING TO PUBLIC FUNDS; CREATING THE INNOVATION IN STATE
3 GOVERNMENT FUND FOR STATE AGENCIES TO CREATE MASTER PLANS AND
4 INCREASE AGENCY CAPACITY TO IMPLEMENT CLIMATE CHANGE POLICY.
5

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

7 SECTION 1. INNOVATION IN STATE GOVERNMENT FUND.--

8 A. The "innovation in state government fund" is
9 created as a nonreverting fund in the state treasury. The
10 fund consists of distributions, appropriations, gifts,
11 grants, donations and bequests made to the fund and income
12 from investment of the fund. The department of finance and
13 administration shall administer the fund. Money in the fund
14 is subject to appropriation by the legislature only as
15 provided in this section. Expenditures from the fund shall
16 be by warrant of the secretary of finance and administration
17 pursuant to vouchers signed by the secretary or the
18 secretary's authorized representative.

19 B. Money in the fund may be appropriated to state
20 agencies to create master plans and increase agency capacity
21 to:

- 22 (1) achieve net-zero emissions;
23 (2) implement sustainable economic policies;
24 (3) provide technical support to entities
25 applying for grants and other funding that seek to address

1 climate change; or

2 (4) implement, enable or reduce the barriers
3 to implementing climate change policy.

4 C. Money in the fund may be expended in the event
5 that general fund balances, including all authorized revenues
6 and transfers to the general fund and balances in the general
7 fund operating reserve, the appropriation contingency fund
8 and the tax stabilization reserve, will not meet the level of
9 appropriations authorized from the general fund for a fiscal
10 year. In that event, to avoid an unconstitutional deficit,
11 the legislature may appropriate from the fund to the general
12 fund only in the amount necessary to meet general fund
13 appropriations for that fiscal year and only if the
14 legislature has authorized transfers from the appropriation
15 contingency fund, the general fund operating reserve and the
16 tax stabilization reserve that exhaust those fund balances.

17 D. By June 30 of each year, a state agency that
18 receives funding from the fund shall submit a report and
19 budget to the department of finance and administration
20 showing how the funds will be expended in support of the
21 authorized purposes. The report shall also include:

22 (1) justification of any proposed changes to
23 the agency's program structure pursuant to Section 6-3A-4
24 NMSA 1978, and any approval or denial of the changes pursuant
25 to that section, as well as the justification for the

1 decision; and

2 (2) if an agency has received an
3 appropriation from the government results and opportunity
4 program fund for a master plan created pursuant to
5 Subsection B of this section and has or is expected to make a
6 request to expand the purpose of the appropriation,
7 justification for such request.

8 E. As used in this section:

9 (1) "greenhouse gas" means a gas or gaseous
10 compound that contributes to the greenhouse effect by
11 absorbing infrared radiation, including carbon dioxide,
12 methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons,
13 nitrogen trifluoride and sulfur hexafluoride;

14 (2) "net-zero emissions" means allowable
15 direct emissions of greenhouse gases that are fully offset;
16 and

17 (3) "sustainable economic policies" means
18 policies to promote:

19 (a) the addition of new jobs statewide
20 and the replacement of jobs that rely on the extraction or
21 development of natural resources; and

22 (b) diversifying the state's revenue
23 sources to replace the revenue generated from the natural
24 resource extraction sector, including policies that promote
25 economic development; investment of state revenue;

1 infrastructure development; determining alternative funding
2 sources for education, hospitals and other social services;
3 and long-term economic growth for the state. _____

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