

AN ACT

MAKING GENERAL APPROPRIATIONS AND AUTHORIZING EXPENDITURES FOR
STATE GOVERNMENT.

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

Section 1. SPECIAL APPROPRIATIONS.--The following amounts are appropriated from the general fund or other funds as indicated for the purposes specified. Unless otherwise indicated, the appropriations may be expended in fiscal years 1998 and 1999. Unless otherwise indicated, unexpended or unencumbered balances of the appropriations remaining at the end of fiscal year 1999 shall revert to the appropriate fund:

A. one million dollars (\$1,000,000) is appropriated from the general fund to the children, youth and families department for expenditure in fiscal year 1999 for contractual services for prevention and intervention services;

B. five million five hundred thousand dollars (\$5,500,000) is appropriated from the general fund to the income support division of the human services department for expenditure in fiscal year 1999 for expenses related to the general assistance program;

C. one million seven hundred thousand dollars (\$1,700,000) is appropriated from other state funds, including the county-supported medicaid fund, to the department of health for expenditure in fiscal year 1999 for costs related

to the support of primary care facilities, contracts and other expenses;

D. three hundred fifty thousand dollars (\$350,000) is appropriated from the general fund to the economic development department for costs related to development, promotion and planning of the spaceport;

E. the unexpended or unencumbered balance of the appropriation to the commission on higher education in Laws 1997, Chapter 206, Section 2 for feasibility studies and implementation of a prepaid tuition program shall not revert at the end of fiscal year 1998 but may be expended for the purposes of that section in fiscal year 1999;

F. the following amounts are appropriated from the general fund to the legislative council service for expenditure in fiscal year 1999 for the following purposes:

(1) one hundred seventy-five thousand dollars (\$175,000) for phase three of the block boundary suggestion project in preparation for redistricting after the next federal decennial census;

(2) three hundred sixty thousand dollars (\$360,000) for legislative retirement; and

(3) two hundred fifty-three thousand dollars (\$253,000) for a year 2000 compliant data system and other data processing needs;

G. one million dollars (\$1,000,000) is

appropriated from the general fund to the department of finance and administration to contract with the New Mexico mortgage finance authority for weatherization programs;

H. the following amounts are appropriated from the general fund to the New Mexico office of Indian affairs for expenditure in fiscal years 1999 and 2000, and any unexpended or unencumbered balance remaining at the end of fiscal year 2000 shall revert to the general fund:

(1) one hundred seventy-five thousand dollars (\$175,000) to initiate and implement a public policy program for native American students in conjunction with the Woodrow Wilson national fellowship foundation; and

(2) five hundred thousand dollars (\$500,000) for a tribal-state community-based education project developed through a partnership between the state and a pueblo education consortium to improve the education of Indian students;

I. two hundred thousand dollars (\$200,000) is appropriated from the general fund to the human services department for expenditure in fiscal year 1999 for food programs for the homeless and three hundred thousand dollars (\$300,000) is appropriated from the general fund to the human services department for expenditure in fiscal year 1999 to contract with the New Mexico mortgage finance authority to provide services to homeless programs statewide;

J. the following amounts are appropriated from the

general fund to the department of health for expenditure in fiscal year 1999 for the following purposes:

(1) five hundred thousand dollars (\$500,000) for HIV/AIDS medications and programs;

(2) seven hundred fifty thousand dollars (\$750,000) for early intervention for the developmentally disabled;

(3) eight hundred thousand dollars (\$800,000) to carry out the purposes of the Rural Primary Health Care Act; and

(4) five hundred thousand dollars (\$500,000) for children's health initiatives in the public health division;

K. nine hundred thousand dollars (\$900,000) is appropriated from the general fund to the health policy commission for expenditure in fiscal year 1999 for contractual services;

L. the following amounts are appropriated from the general fund to the children, youth and families department for expenditure in fiscal year 1999 for the following purposes:

(1) four hundred thousand dollars (\$400,000) for families in need of services; and

(2) five hundred thousand dollars (\$500,000) for health services for children not eligible for medicaid;

M. sixty thousand dollars (\$60,000) is appropriated from the general fund to the crime victims reparation commission for expenditure in fiscal year 1999 for a statewide legal help line for victims of domestic violence;

N. the following amounts are appropriated from the general fund to the state department of public education for expenditure in fiscal year 1999 for the following purposes:

(1) one million dollars (\$1,000,000) to provide the match for the computers in the schools program; and

(2) six hundred thousand dollars (\$600,000) for statewide dropout prevention programs;

O. one hundred fifty thousand dollars (\$150,000) is appropriated from the general fund to the commission on higher education for expenditure in fiscal year 1999 for the advanced placement program;

P. one hundred thirty-two thousand dollars (\$132,000) is appropriated from the general fund to the New Mexico military institute for the Saunders barracks phase two construction project;

Q. eighteen million seven hundred ninety-one thousand four hundred dollars (\$18,791,400) is appropriated from the temporary assistance for needy families block grant to the human services department to enter into a contract or memorandum of understanding with the children, youth and

families department to provide child care to participants as defined in the New Mexico Works Act. This appropriation to the human services department supports the interagency transfer appropriation to the children, youth and families department in Laws 1998, Chapter 116, Section 4;

R. the unexpended or unencumbered balance of the appropriation made to the state agency on aging in Laws 1997, Chapter 33, Section 7 is appropriated to the state agency on aging for expenditure in fiscal year 1999 for the aging programs information system;

~~S. five hundred thousand dollars (\$500,000) is appropriated from the general fund to the state corporation commission for expenditure in fiscal year 1999 for department of insurance costs associated with administration of the Patient Protection Act;~~

T. two hundred thousand dollars (\$200,000) is appropriated from the general fund to the criminal and juvenile justice coordinating council for expenditure in fiscal year 1999 for contractual services; provided that this appropriation is contingent on the council submitting to the governor and the department of finance and administration a long-range plan for the agency that provides specific information of its future activities and its goals and objectives;

U. three hundred fifty thousand dollars (\$350,000) HTRC/HB 2
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is appropriated from the general fund to the local government division of the department of finance and administration to pay unanticipated detention costs of Torrance county; and

V. four hundred thousand dollars (\$400,000) is appropriated from the general fund to the administrative office of the courts for expenditure in fiscal year 1999 to provide funding for existing drug courts in the judicial districts.

Section 2. SUPPLEMENTAL AND DEFICIENCY APPROPRIATIONS.-

-The following amounts are appropriated from the general fund, or other funds as indicated, for expenditure in fiscal year 1998 for the purposes specified. Disbursement of these amounts shall be subject to the following conditions: certification by the agency to the department of finance and administration and the legislative finance committee that no other funds are available in fiscal year 1998 for the purpose specified; and approval by the department of finance and administration. Any unexpended or unencumbered balances remaining at the end of fiscal year 1998 shall revert to the appropriate fund:

A. one hundred ninety-three thousand two hundred dollars (\$193,200) is appropriated to the supreme court for litigation costs;

B. five thousand four hundred dollars (\$5,400) is appropriated to the fifth judicial district court for judge

pro tempore services rendered in fiscal year 1997 in the State v. Lewis water adjudication suit;

C. twenty-three thousand one hundred dollars (\$23,100) is appropriated to the ninth judicial district attorney for litigation costs in the prosecution of a conflict case for the fifth judicial district attorney;

D. eight thousand seven hundred dollars (\$8,700) is appropriated to the twelfth judicial district attorney for expert witness fees;

E. eighty-eight thousand dollars (\$88,000) is appropriated to the attorney general for the guardianship services program;

F. thirty thousand dollars (\$30,000) is appropriated to the state treasurer for personal services and employee benefits;

G. three million five hundred thousand dollars (\$3,500,000) is appropriated to the corrections department for costs associated with leasing bed space; and

H. five hundred thousand dollars (\$500,000) is appropriated to the secretary of state to defray costs of the special congressional election.

Section 3. JURY AND WITNESS FEE FUND--APPROPRIATION.--

A. Six hundred thousand dollars (\$600,000) is appropriated from the general fund to the jury and witness fee fund for expenditure in fiscal year 1998 and subsequent fiscal

years to carry out the purposes of the fund. The administrative office of the courts may also expend the cash balances in the fund as of May 1, 1998 in fiscal year 1998 and subsequent fiscal years to carry out the purposes of the fund. Money in the fund shall not be used to repay the fiscal year 1998 state board of finance loan.

B. Four hundred thousand dollars (\$400,000) is appropriated from the general fund to the jury and witness fee fund for expenditure in fiscal year 1999 and subsequent fiscal years to carry out the purposes of the fund.

C. Six hundred thousand dollars (\$600,000) is appropriated from the general fund operating reserve to the department of finance and administration for expenditure in fiscal year 1999 and subsequent fiscal years as a contingency fund to pay unanticipated costs of the jury and witness fee fund when the director of the administrative office of the courts certifies to the secretary of finance and administration that there is not enough money in the jury and witness fee fund to pay current and projected commitments.

Section 4. COMPUTER SYSTEMS ENHANCEMENT FUND
APPROPRIATIONS.--Six million forty-five thousand dollars (\$6,045,000) is appropriated from the general fund to the computer systems enhancement fund for expenditure in fiscal years 1998 and 1999 for allocations pursuant to the appropriations in Section 5 of this act.

Section 5. DATA PROCESSING APPROPRIATIONS.--The following amounts are appropriated from the computer systems enhancement fund, or other funds as indicated, for the purposes specified. Unless otherwise indicated, the appropriations may be expended in fiscal years 1998 and 1999. Unless otherwise indicated, any unexpended or unencumbered balances remaining at the end of fiscal year 1999 shall revert to the computer systems enhancement fund or other funds as indicated. The department of finance and administration shall allocate amounts from the funds for the purposes specified upon receiving certification and supporting documentation from the requesting agency that identifies benefits that can be quantified and nonrecurring costs and recurring costs for the development and implementation of the proposed system and, for executive agencies, upon receiving certification from the chief information officer that identifies compliance with the information architecture and individual information and communications systems plans. If the funds are to continue a project, the documentation shall include certification that the project is on schedule, all funds previously allocated have been properly expended and additional funds are required. The department of finance and administration shall provide a copy of the certification and all supporting documentation to the legislative finance committee:

A. three hundred seventy thousand dollars

(\$370,000) is appropriated from the educational retirement fund to the educational retirement board for a year 2000 compliant server, software, hardware, data conversion and training;

B. four hundred forty-five thousand dollars (\$445,000) is appropriated from public defender cash balances to the public defender for computer equipment, software purchase and web page development;

C. two hundred fifty thousand dollars (\$250,000) is appropriated from the public employees retirement income fund to the public employees retirement association for an investment accounting system;

D. six hundred thousand dollars (\$600,000) is appropriated from cash balances in the regulation and licensing department to the regulation and licensing department for a year 2000 compliant boards and commission system;

E. fourteen thousand dollars (\$14,000) is appropriated from fee income and other revenue of the New Mexico livestock board to the New Mexico livestock board for one server, two work stations and database management software;

F. five hundred thousand dollars (\$500,000) is appropriated from the game protection fund to the department of game and fish for a client server and computer equipment

for processing wildlife gaming license and citation information;

G. seventy-five thousand dollars (\$75,000) is appropriated to the energy, minerals and natural resources department for upgrading to a year 2000 compliant financial system;

H. seventy thousand dollars (\$70,000) is appropriated to the New Mexico public utility commission for year 2000 compliant hardware and software;

I. three million dollars (\$3,000,000) is appropriated to the human services department for the child support enforcement system;

J. five hundred forty-six thousand dollars (\$546,000) is appropriated from the employment security department fund and two million dollars (\$2,000,000) is appropriated from federal revenue to the labor department for contractual services to ensure mission critical systems are year 2000 compliant;

K. two million five hundred thousand dollars (\$2,500,000) is appropriated to the corrections department for procurement of a year 2000 compliant criminal information management system, financial management system modules, network hardware and software and related information systems costs and contractual services; and

L. four hundred thousand dollars (\$400,000) is

appropriated to the state department of public education for a year 2000 compliant comprehensive accountability system.

Section 6. ADDITIONAL FISCAL YEAR 1998 BUDGET ADJUSTMENT AUTHORITY.--During fiscal year 1998, subject to review and approval by the department of finance and administration, in addition to the budget adjustment authority granted in Laws 1997, Chapter 33, Section 10 and pursuant to Sections 6-3-23 through 6-3-25 NMSA 1978:

A. the seventh judicial district attorney may request that nineteen thousand seven hundred dollars (\$19,700) be transferred from the personal services category to the operating costs category for expert witness fees;

B. the eighth judicial district attorney may request that twenty-eight thousand two hundred dollars (\$28,200) be transferred from the personal services category to any other category to cover projected shortfalls;

C. the taxation and revenue department may request category transfers not to exceed two hundred forty thousand dollars (\$240,000) from the personal services category for expenses related to the enhanced driver's license program and telecommunications;

D. the local government division of the department of finance and administration may request that forty thousand seven hundred dollars (\$40,700) be transferred from the personal services category to the personal services category

in the administrative services division of the department of finance and administration;

E. the general services department may request division and category transfers necessary to carry out the transfer of the printing office to the information systems division;

F. the public defender department may request transfers from the personal services category to the contractual services category for contract attorney fees or to the operating costs category for expert witness fees;

G. the New Mexico state fair may request transfers from the personal services category to the other costs category for retirement of debt;

H. the office of the state engineer may request transfer of an amount not to exceed two hundred ten thousand dollars (\$210,000) from the personal services category to cover projected deficits in other categories;

I. the New Mexico veterans' center of the department of health may request transfers from the personal services category to the contractual services category;

J. the southern New Mexico rehabilitation center of the department of health may request transfers from the personal services category to the contractual services category;

K. the Fort Bayard medical center of the

department of health may request transfers from the personal services category to the contractual services category;

L. the public health division of the department of health may request transfers from the personal services category to the supplies and materials category or the other costs category to purchase HIV-AIDS medication;

M. the long-term care and restorative services division of the department of health may request transfers from the personal services category to the contractual services category in the medical fragile waiver to reduce the number of individuals on the waiting list;

N. the department of health may request that three hundred eighty thousand dollars (\$380,000) be transferred from the personal services category to other categories in the long-term care and restorative services division to settle payment for additional costs of treating outlier clients; seven hundred fifty thousand dollars (\$750,000) be transferred from the personal services category to other categories in the long-term care and restorative services division to resolve outstanding accounts payable problems; and two hundred fifty thousand dollars (\$250,000) be transferred from the personal services category to other categories in the long-term care and restorative services division to cover "Jackson" case legal fees;

O. the New Mexico veterans' service commission may

request transfer of an amount not to exceed seventeen thousand dollars (\$17,000) from the personal services category to cover projected deficits in other categories;

P. the children, youth and families department may request transfers from the personal services category in amounts not to exceed one million three hundred thousand dollars (\$1,300,000) for costs related to child care, foster care, adoption and attendant care and for costs related to residents in and maintenance of facilities under its control;

Q. the adult probation and parole division of the corrections department may request that three hundred sixteen thousand dollars (\$316,000) be transferred from the personal services category to other categories for additional costs associated with housing parole violators in county detention centers;

R. the adult institutions division of the corrections department may request that one hundred fifty thousand dollars (\$150,000) be transferred from the personal services category to other categories to cover projected deficits in the institutions;

S. the corrections department may request transfers from the personal services category to the contractual services category for the operations of the New Mexico women's correctional facility. The corrections department is specifically authorized to exceed the limit for

payments to that facility provided in the General Appropriation Act of 1997;

T. the department of public safety may request category transfers from the personal services category in an amount not to exceed four hundred thousand dollars (\$400,000) for costs associated with recruit school for additional state police officers; and

U. the state highway and transportation department may request thirty-eight million six hundred sixty thousand three hundred dollars (\$38,660,300) in federal funds and a matching amount of four million seven hundred eighty-five thousand six hundred dollars (\$4,785,600) in state road fund cash balances to increase the budget for the federal construction program.

Section 7. CERTAIN FISCAL YEAR 1999 BUDGET ADJUSTMENTS AUTHORIZED.--

A. As used in this section:

(1) "agency" means an office, department, agency, institution, board, bureau, commission, court, district attorney, council or committee of state government;

(2) "budget category" means an item or an aggregation of related items that represents the object of an appropriation. Budget categories include personal services, employee benefits, travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other

costs, capital outlay, out-of-state travel and other financing uses;

(3) "budget increase" means an approved increase in expenditures by an agency or division from a specific source;

(4) "category transfer" means an approved transfer of funds from one budget category to another budget category, provided that a category transfer does not include a transfer of funds between divisions;

(5) "division" means an organizational unit within an agency that is the recipient of an appropriation;

(6) "division transfer" means an approved transfer of funds from one division of an agency to another division of that agency, provided that the annual cumulative effect of division transfers shall not increase or decrease the appropriation to any division by more than seven and one-half percent;

(7) "expenditures" means costs, expenses, encumbrances and other financing uses, other than refunds authorized by law, recognized in accordance with generally accepted accounting principles for the legally authorized budget amounts and budget period;

(8) "federal funds" means any payments by the United States government to state government or agencies except those payments made in accordance with the federal

Mineral Lands Leasing Act;

(9) "interagency transfers" means revenue, other than internal service funds, legally transferred from one agency to another;

(10) "internal service funds" means:

(a) revenue transferred to an agency for the financing of goods or services to another agency on a cost-reimbursement basis; and

(b) unencumbered balances in agency internal service fund accounts;

(11) "other state funds" means:

(a) unencumbered, nonreverting balances in agency accounts, other than in internal service funds accounts;

(b) all revenue available to agencies from sources other than the general fund, internal service funds, interagency transfers and federal funds; and

(c) all revenue, the use of which is restricted by statute or agreement;

(12) "program" means a set of activities undertaken in accordance with a plan of action and organized to realize clearly defined, measurable goals and objectives;

(13) "revenue" means all money received by an agency from sources external to that agency, net of refunds and other correcting transactions, other than from issue of

debt, liquidation of investments or as agent or trustee for other governmental entities or private persons;

(14) "subprogram" means a more narrowly defined part of a set of activities undertaken in accordance with a plan of action and organized to realize clearly defined, measurable goals and objectives; and

(15) "unforeseen federal funds" means a source of federal funds or an increased amount of federal funds that could not have been reasonably anticipated or known during the second session of the forty-third legislature and, therefore, could not have been requested by an agency or appropriated by the legislature.

B. Pursuant to Sections 6-3-23 through 6-3-25 NMSA 1978, the following agencies or divisions are specifically authorized to request the specified budget adjustments during fiscal year 1999:

(1) the legislative council service may request category transfers;

(2) the legislative finance committee may request category transfers;

(3) the senate chief clerk may request category transfers;

(4) the house chief clerk may request category transfers;

(5) the legislative education study

committee may request category transfers;

(6) the legislative maintenance department may request category transfers;

(7) the legislature may request category transfers;

(8) the supreme court law library may request category transfers;

(9) the New Mexico compilation commission may request category transfers;

(10) the judicial standards commission may request category transfers;

(11) the court of appeals may request category transfers;

(12) the supreme court may request category transfers;

(13) the administrative office of the courts may request budget increases from other state funds and internal service funds/interagency transfers and may request category transfers;

(14) the supreme court building commission may request category transfers;

(15) the jury and witness fee fund may request category transfers;

(16) each district court may request budget increases from other state funds and internal service

funds/interagency transfers and may request category transfers;

(17) the Bernalillo county metropolitan court may request budget increases from other state funds and may request category transfers;

(18) each district attorney may request budget increases from other state funds and internal service funds/interagency transfers and may request category transfers;

(19) the administrative office of the district attorneys may request category transfers;

(20) the attorney general may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(21) the state auditor may request category transfers;

(22) the taxation and revenue department may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(23) the state investment council may request budget increases from other state funds and internal

service funds/interagency transfers up to two million dollars (\$2,000,000) for investment manager fees and custody fees; provided that this amount may be exceeded if the department of finance and administration approves a certified request from the state investment council that additional increases from other state funds are required for increased management fees and custody fees derived from asset growth and performance. The state investment council may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category except that money appropriated for investment manager fees in the contractual services category shall not be transferred;

(24) the department of finance and administration may request budget increases from internal service funds/interagency transfers for the fiscal agent contract and may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(25) the public school insurance authority may request category transfers;

(26) the retiree health care authority may

request category transfers;

(27) the general services department may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(28) the educational retirement board may request budget increases up to one million five hundred thousand dollars (\$1,500,000) for manager fees and custody fees; provided that this amount may be exceeded if the department of finance and administration approves a certified request from the educational retirement board that additional increases from other state funds are required for increased management fees and custody fees derived from asset growth and performance. The educational retirement board may request category transfers, except that funds authorized for investment manager fees within the contractual services category of the administrative division and for custody services within the other costs category of the administrative division shall not be transferred;

(29) the criminal and juvenile justice coordinating council may request category transfers;

(30) the public defender department may request up to one million dollars (\$1,000,000) in budget increases from cash balances for operating expenses, contracts

and automation and may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(31) the governor may request category transfers;

(32) the office on information and communication management may request category transfers;

(33) the lieutenant governor may request category transfers;

(34) the public employees retirement association may request other state funds up to three million five hundred thousand dollars (\$3,500,000) for investment manager fees and custody fees; provided that this amount may be exceeded if the department of finance and administration approves a certified request from the public employees retirement association that additional increases from other state funds are required for increased management fees and custody fees derived from asset growth and performance. The public employees retirement association may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category, except that funds authorized

for investment manager fees within the contractual services category of the administrative division and for custody services within the other costs category of the administrative division shall not be transferred;

(35) the maintenance division of the public employees retirement association may request budget increases from other state funds to meet the emergencies or unexpected physical plant failures that might affect the health and safety of workers;

(36) the state commission of public records may request category transfers;

(37) the secretary of state may request category transfers;

(38) the personnel board may request category transfers;

(39) the public employee labor relations board may request category transfers;

(40) the state treasurer may request category transfers;

(41) the board of examiners for architects may request category transfers;

(42) the border authority may request category transfers;

(43) the tourism department may request transfers from the travel, maintenance and repairs, supplies

and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(44) the New Mexico magazine division of the tourism department may request budget increases from other state funds for earnings from sales;

(45) the economic development department may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(46) the regulation and licensing department may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(47) the twenty-seven boards and commissions under the administration of the regulation and licensing department, the real estate recovery fund, the barbers and cosmetologists tuition recovery fund and the securities education and training fund may request category transfers;

(48) the state corporation commission may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other

financing uses category to any other category;

(49) the public regulation commission may request category transfers;

(50) the New Mexico board of medical examiners may request category transfers;

(51) the board of nursing may request category transfers;

(52) the state fair commission may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(53) the state board of registration for professional engineers and surveyors may request category transfers;

(54) the state racing commission may request category transfers;

(55) the New Mexico apple commission may request category transfers;

(56) the board of veterinary medicine may request category transfers;

(57) the bicycle racing commission may request category transfers;

(58) the office of cultural affairs may request budget increases from internal services

funds/interagency transfers for contract archaeology and may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(59) the New Mexico livestock board may request category transfers;

(60) the department of game and fish may request budget increases from internal services funds/interagency transfers for emergencies and may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(61) the endangered species program may request category transfers;

(62) the energy, minerals and natural resources department may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(63) the oil conservation division of the energy, minerals and natural resources department may request budget increases from the oil and gas reclamation fund to

close abandoned wells in the oil patch;

(64) the forestry division and the state parks division of the energy, minerals and natural resources department may request budget increases from the New Mexico youth conservation corps fund for projects approved by the New Mexico youth conservation corps commission;

(65) the commissioner of public lands may request budget increases from other state funds and may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(66) the state engineer shall not request over one million dollars (\$1,000,000) in the aggregate in fiscal year 1999 in budget increases from other state funds;

(67) the state engineer may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(68) the New Mexico public utility commission may request category transfers;

(69) the organic commodity commission may request category transfers;

(70) the commission on the status of women

may request budget increases from other state funds for statutorily mandated recognition programs for women and may request category transfers;

(71) the commission for deaf and hard-of-hearing persons may request category transfers;

(72) the Martin Luther King, Jr. commission may request category transfers;

(73) the commission for the blind may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(74) the New Mexico office of Indian affairs may request category transfers;

(75) the state agency on aging may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(76) the human services department may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(77) the labor department may request

transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(78) the workers' compensation administration may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(79) the division of vocational rehabilitation of the state department of public education may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(80) the governor's committee on concerns of the handicapped may request category transfers;

(81) the developmental disabilities planning council may request category transfers;

(82) the miners' hospital of New Mexico may request budget increases from other state funds to operate the hospital and may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-

of-state travel or other financing uses category to any other category;

(83) the department of health may request budget increases from other state funds and internal service funds/interagency transfers for facilities and institutions, including laboratories; to maintain adequate services to clients; to maintain the buildings and grounds of the former Los Lunas medical center; and to fund investigations pursuant to the Caregivers Screening Act. The department may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(84) the department of environment may request budget increases from other state funds to budget responsible party payments, from the corrective action fund to pay claims and from the hazardous waste emergency fund to meet emergencies and may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(85) the office of the natural resources trustee may request budget increases from other state funds for court settlements to restore natural resource damage in

accordance with court orders and from internal service funds/interagency transfers and may request category transfers;

(86) the New Mexico health policy commission may request category transfers;

(87) the New Mexico veterans' service commission may request category transfers;

(88) the children, youth and families department may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(89) the department of military affairs may request transfers from the travel, supplies and materials, contractual services, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(90) the crime stoppers commission may request category transfers;

(91) the parole board may request category transfers;

(92) the juvenile parole board may request category transfers;

(93) the corrections department may request transfers from the travel, maintenance and repairs, supplies

and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(94) the construction industries division of the corrections department may request budget increases from internal service funds/interagency transfers;

(95) the crime victims reparation commission may request category transfers;

(96) the department of public safety may request budget increases from other state funds for disaster declarations and from internal service funds/interagency transfers, excluding state forfeitures and forfeiture balances, and may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(97) the department of public safety may request division transfers of up to one hundred eighteen thousand dollars (\$118,000) from any division to the special investigations division for the operation of the crime stoppers commission;

(98) upon the federal Intermodal Surface Transportation Efficiency Act reauthorization, the state highway and transportation department may request budget

increases from the unbudgeted revenue in the state road fund for the road betterment division in an amount necessary to maximize the use of federal funds;

(99) except as allowed in Paragraph (98) of this subsection, the state highway and transportation department shall not request budget increases from the state road fund to match federal funds except in the transportation programs division and the transportation planning division;

(100) except as allowed in Paragraph (98) and (99) of this subsection, the state highway and transportation department shall not request budget increases except from the local government road fund, beautification fund, aviation fund, transportation fund and rubberized asphalt fund;

(101) the state highway and transportation department may request transfers from the travel, maintenance and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category;

(102) the state department of public education may request budget increases for the instructional materials fund, the public school capital outlay fund and the public school energy efficiency fund;

(103) the state department of public education may request transfers from the travel, maintenance

and repairs, supplies and materials, contractual services, operating costs, other costs, capital outlay, out-of-state travel or other financing uses category to any other category; and

(104) the commission on higher education may request category transfers.

C. The department of military affairs, the department of public safety and the energy, minerals and natural resources department may request budget increases as required by an executive order declaring a disaster or emergency.

D. Pursuant to Sections 6-3-23 through 6-3-25 NMSA 1978, agencies whose revenue from unforeseen federal funds, from state board of finance loans, from revenue appropriated by other acts of the legislature, or from gifts, grants, donations, bequests, insurance settlements, refunds, or payments into revolving funds exceed specifically appropriated amounts may request budget increases from the state budget division. If approved by the state budget division, such money is appropriated. In approving a budget increase from unforeseen federal funds, the director of the state budget division shall advise the legislative finance committee as to the source of the federal funds and the source and amount of any matching funds required.

E. To foster efficiency, effectiveness and

accountability of state government, the legislative finance committee shall study budget adjustment procedures, use of authority, reporting, constitutional matters, statutory authority and other issues related to budget adjustments during the 1998 interim and report its findings and recommendations to the first session of the forty-fourth legislature.

The legislative council service shall study constitutional and legal issues involved in the use of joint powers agreements between state agencies and shall report its findings and recommendations to the first session of the forty-fourth legislature. The legislative finance committee shall cooperate with the legislative council service as needed.

Section 8. BUDGET REVIEW AND ADJUSTMENT PILOT PROJECT.--

A. The state budget division and the legislative finance committee shall conduct a joint executive-legislative "budget review and adjustment pilot project" involving select executive agencies that is designed to provide the executive and legislature with the ability to monitor and analyze the existing budget adjustment procedures and to strengthen the accountability of the budget adjustment request process. The pilot shall be structured by the state budget division and the legislative finance committee so as to provide the executive

and the legislature with the necessary information and tools to effectively evaluate expenditures for necessary government functions and to provide long-range stewardship of state assets.

B. The pilot agencies are the taxation and revenue department, the general services department, the state fair, the human services department, the department of health, the children, youth and families department, the corrections department, the road betterment division of the state highway and transportation department, the state investment council, the educational retirement board and the public employees retirement association.

C. The pilot project shall establish the mechanism for budget increases or budget transfers of pilot agencies, including a procedure for certification of the need for an increase or transfer. In addition to the procedures provided in Sections 6-3-23 through 6-3-25 NMSA 1978 for request and approval of a budget adjustment, budget increases or budget transfers allowed in this section for the pilot agencies are subject to the conditions and procedures provided in Subsections D and E of this section.

D. As a condition precedent to an approval by the department of finance and administration of a budget increase or budget transfer for a pilot agency, the department shall certify to the legislative finance committee that a request

meets the following conditions:

(1) the agency is not requesting budget increase authority or transfer authority to fund a purpose or program that has not been approved by the legislature for that agency;

(2) the agency is not requesting an expansion to fund a program change that was not approved by the legislature;

(3) the agency certifies that an emergency or a serious change in circumstance exists that requires immediate funding; and

(4) the agency is not attempting, either directly or indirectly, to delegate its powers and duties.

E. Upon receipt of the certification by the department of finance and administration that a budget increase or transfer request pursuant to the pilot project meets the conditions set out in Subsection D of this section, the legislative finance committee may raise objections to the certification within thirty days of receipt of the certification. If no objections are raised by the legislative finance committee within that time, the committee is deemed to have concurred with the certification by the department. If the legislative finance committee raises objections to the certification, it shall attempt to resolve the issues with the state budget division pursuant to the procedures developed for

the pilot project. The legislative finance committee may hold hearings on its objections to any certification. If the amount of the request is two hundred fifty thousand dollars (\$250,000) or more and the objections are not resolved satisfactorily through the pilot project, the legislative finance committee shall make recommendations to the legislature regarding the certification. The pilot agencies agree to be bound by the terms of the pilot project and the department of finance and administration agrees to wait until the legislative finance committee either concurs with the certification or until the issue is determined by legislative action. If the legislature does not act on the budget increase or budget transfer request by the end of the next legislative session, it is deemed approved.

F. The pilot agencies may request increases or transfers as follows:

(1) taxation and revenue department, for budget increases from other state funds;

(2) general services department, for budget increases from other state funds and internal service funds/interagency transfers;

(3) state fair, for budget increases from other state funds;

(4) human services department, for budget increases from other state funds;

(5) department of health, for budget increases from other state funds;

(6) the children, youth and families department, for budget increases from other state funds and internal service funds/interagency transfers;

(7) corrections department, for budget increases from other state funds and budget transfers among institutions and the adult institutions division director; and

(8) the road betterment division of the state highway and transportation department, for budget transfers from any program or subprogram within the division to any other program or subprogram within the division.

G. As part of the budget review and adjustment pilot project, the department of finance and administration and the legislative finance committee shall receive and evaluate quarterly reports from the state investment council, the educational retirement board and the public employees retirement association. The reports shall include the following information:

- (1) fund performance;
- (2) changes in asset allocation;
- (3) investment policies;
- (4) amount of internal and external management and custody fees and transaction fees by asset type; and

(5) copies of proposed or actual contracts over one hundred thousand dollars (\$100,000).

H. The department of finance and administration and the legislative finance committee shall provide an interim report to the governor and the legislature by January 1, 1999 and a final report to the governor and the legislature by July 15, 1999. The final report shall include their findings and recommendations for statutory or systemic changes necessary to the budget adjustment process.

~~Section 9. PARTS NOT SEVERABLE.--If any part or application of this act is held to be invalid, the remainder or its application to other situations or persons shall likewise be invalid. The provisions of this act are not severable.~~
