

**FORTY-SIXTH LEGISLATURE  
FIRST SESSION, 2003**

March 1, 2003

Mr. Speaker:

Your APPROPRIATIONS AND FINANCE COMMITTEE, to whom has been referred

**HOUSE BILL 219**

has had it under consideration and reports same with recommendation that it DO PASS, amended as follows:

1. On page 1, line 14, strike "PILOT".
2. On page 1, line 19, after the semicolon strike the remainder of the line and strike line 20 through the semicolon.
3. On page 3, lines 18 and 19, strike ", in consultation with the state auditor,".
4. On page 4, line 4, after the subsection designation "B." strike the remainder of the line, strike line 5 in its entirety and insert in lieu thereof "The division shall issue a manual of model accounting practices containing the procedures and policies prescribed pursuant to Subsection A of this section and shall annually review and, if necessary, revise and reissue the manual.".
5. On page 6, line 9, after the period strike the remainder of the line and strike lines 10 and 11.
6. On page 6, line 24, strike "personal" and insert in lieu thereof "personnel".
7. On page 7, between lines 12 and 13, insert the following new section to read:

"Section 6. Section 6-5-9 NMSA 1978 (being Laws 1957, Chapter 252, Section 15, as amended) is amended to read:

"6-5-9. SECRETARY MAY AUTHORIZE STATE AGENCIES TO ISSUE WARRANTS--SECRETARY MAY EXCEPT STATE AGENCIES FROM SUBMISSION OF PROPOSED VOUCHERS, PURCHASE ORDERS OR CONTRACTS.--The secretary of finance and administration may, when he determines that efficiency or economy so requires, authorize state agencies to issue warrants and except state agencies from the requirement of prior submission of proposed vouchers, purchase orders or contracts to the financial

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**control division as provided in Section [11-2-65 NMSA 1953. ~~Such~~ 6-5-3 NMSA 1978. The authorization or exception shall be made annually by the order of the secretary in writing. The order shall state the extent of the authorization or exception and the reasons therefore. The department of finance and administration shall promulgate rules providing conditions for agencies to meet before obtaining an authorization or exception pursuant to this section. The department shall annually report to the legislative finance committee on the authorizations and exceptions granted."]**

8. Renumber the succeeding sections accordingly.
9. On page 7, line 22, strike "ten" and insert in lieu thereof "forty-five".
10. On page 8, line 4, after the period insert an ending quotation mark.
11. On page 8, lines 5 through 7, strike Subsection C in its entirety.
12. On page 8, line 20, strike "after consulting with the state auditor,".
13. On page 9, line 12, strike "after consulting with the state auditor,".
14. On page 9, line 15, strike "after consulting with the state auditor,".
15. On page 9, line 21, strike "after consulting with the state auditor,".
16. On page 11, line 5, strike "PILOT".
17. On page 11, line 6, strike "pilot".
18. On page 11, line 8, strike "pilot".
19. On page 11, line 10, strike "pilot".
20. On page 11, line 13, after the period strike the remainder of the line, strike lines 14 through 16 and strike line 17 through the period.
21. On page 14, line 25, strike the underscored "The" and

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insert in lieu thereof "Except as may be otherwise provided by law, the".

22. On page 16, line 16, after "warrant" strike the remainder of the line and strike line 17 and insert in lieu thereof "will be redeemed using receivables accrued for that fiscal year pursuant to policies of the department of finance and administration.".

23. On page 16, line 22, after "warrant" strike the remainder of the line and strike lines 23 and 24 and insert in lieu thereof "will be redeemed using receivables accrued for that fiscal year pursuant to policies of the department of finance and administration.".

24. On page 18, line 13, strike "selected" and insert in lieu thereof "approved".

25. On page 18, strike line 14 and strike line 15 through the period.

26. On page 19, line 12, remove the brackets and line through "violation", strike the remainder of the line and strike line 13 through "activity".

27. On page 19, line 22, after "by" strike the remainder of the line and strike line 23 through the comma.

28. On page 21, line 16, after "reports" strike the remainder of the line and strike line 17 and insert in lieu thereof a period.

29. On page 22, between lines 12 and 13, insert the following new section:

**"Section 22. Section 22-2-6.7 NMSA 1978 (being Laws 1986, Chapter 94, Section 7, as amended) is amended to read:**

**"22-2-6.7. AUTHORITY--DUTIES.--In order to effectuate the purposes of the Public School Insurance Authority Act, the authority has the power to:**

**~~[A. employ the services of the state fiscal agent or select its own fiscal agent pursuant to regulations adopted by the board; provided that for the purposes of disbursing all money other than that in the fund, the secretary of finance and administration shall be the fiscal agent for the authority;~~**

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~~B.~~ A. enter into professional services and consulting contracts or agreements as necessary;

~~C.~~ B. collect money and provide for the investment of ~~[and disburse money in]~~ the fund;

~~D.~~ C. collect all current and historical claims and financial information necessary for effective procurement of lines of insurance coverage;

~~E.~~ D. promulgate necessary rules, regulations and procedures for implementation of the Public School Insurance Authority Act;

~~F.~~ E. negotiate new insurance policies covering additional or lesser benefits as determined appropriate by the authority, but the authority shall maintain all coverage levels required by federal and state law for each participating member. In the event it is practical to wholly self-insure a particular line of coverage, the authority may do so;

~~G.~~ F. procure lines of insurance coverage in compliance with the provisions of the Health Care Purchasing Act and the competitive sealed proposal process of the Procurement Code; provided that any group medical insurance plan offered pursuant to this section shall include effective cost-containment measures to control the growth of health care costs. The board shall report annually by September 1 to appropriate interim legislative committees on the effectiveness of the cost-containment measures required by this subsection; and

~~H.~~ G. purchase, renovate, equip and furnish a building for the board. "".

30. Renumber the succeeding sections accordingly.

31. On page 23, between lines 17 and 18, insert the following new section:

"Section 24. Section 77-2-10 NMSA 1978 (being Laws 1973, Chapter 84, Section 1, as amended) is amended to read:

~~"77-2-10. RECEIPTS [AND DISBURSEMENTS--ISSUANCE OF WARRANTS, PURCHASE ORDERS AND CONTRACTS]--DEPOSIT OF FUNDS.--~~

~~[A. All fees and other money collected by the board~~

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~~shall be received and disbursed directly by the board, but receipts and disbursements are subject to audit by the state auditor. The board is not required to submit proposed vouchers, purchase orders or contracts to the department of finance and administration as otherwise required by Section 6-5-3 NMSA 1978.~~

~~B. The executive director of the board shall issue warrants in the name of the board against funds of the board in payment of its lawful obligations, issue purchase orders and contract for goods or services in the name of the board. The board shall provide its own warrant, purchase order and contract forms as well as other supplies and equipment.~~

~~C.]~~ A. The board shall designate banks where its money is to be deposited.

~~[D.]~~ B. Notwithstanding the provisions of Section 6-10-3 NMSA 1978, the board may establish rules governing the receipt and deposit of fees collected by its inspectors requiring remittance to the board in not more than ten days. "".

32. Renumber the succeeding sections accordingly.

33. On page 23, line 18, after the dash strike the remainder of the line and strike lines 19 through 21 and insert in lieu thereof the following:

"Sections 6-5-4 and 16-6-8 NMSA 1978 (being Laws 1957, Chapter 252, Section 4 and Laws 1913, Chapter 46, Section 7, as amended) are repealed. "".

34. Renumber the succeeding section accordingly.

35. On page 23, line 23, strike "Sections 1 through 22 of".

36. On page 23, strike line 25 and on page 24, strike line 1.

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Respectfully submitted,

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Max Coll , Chairman

Adopted \_\_\_\_\_  
(Chief Clerk)

Not Adopted \_\_\_\_\_  
(Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 14 For 0 Against

Yes: 14

Excused: Begaye, Ponce, Townsend, Wallace

Absent: None

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