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SENATE BILL 357

**49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009**

INTRODUCED BY

John M. Sapien

AN ACT

RELATING TO STATE FINANCE; CREATING AN AUDIT GRANT FUND;  
AUTHORIZING GRANTS; MAKING AN APPROPRIATION.

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

Section 1. A new section of the Audit Act is enacted to  
read:

"~~[NEW MATERIAL]~~ AUDIT GRANT FUND--CREATED--USES.--"

A. The "audit grant fund" is created in the state  
treasury and shall consist of appropriations, gifts, grants and  
donations to the fund. Balances remaining in the fund at the  
end of a fiscal year shall remain credited to the fund. The  
state auditor shall administer the fund, and money in the fund  
is appropriated to the state auditor to make grants to assist  
political subdivisions of the state to comply with the Audit  
Act if they have demonstrated that such compliance will cause

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1 financial hardship. Disbursements from the fund shall be made  
2 by warrant of the secretary of finance and administration  
3 pursuant to vouchers signed by the state auditor or the state  
4 auditor's authorized representative.

5 B. The state auditor shall promulgate rules for  
6 determining eligibility for grants from the audit grant fund  
7 and how grantees may expend those funds to come into compliance  
8 with the Audit Act. The rules shall give special consideration  
9 to political subdivisions of the state that have been unable to  
10 obtain prior year audits required by the Audit Act."

11 Section 2. APPROPRIATION.--Fifty thousand dollars  
12 (\$50,000) is appropriated from the general fund to the audit  
13 grant fund for expenditure in fiscal year 2010 and subsequent  
14 fiscal years to carry out the purposes of the fund. Any  
15 unexpended or unencumbered balance remaining at the end of a  
16 fiscal year shall not revert to the general fund.

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