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HOUSE BILL 2

**49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010**

INTRODUCED BY

Henry 'Kiki' Saavedra

AN ACT

MAKING GENERAL APPROPRIATIONS AND AUTHORIZING EXPENDITURES BY  
STATE AGENCIES REQUIRED BY LAW.

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

Section 1. ~~[NEW MATERIAL]~~ SHORT TITLE.--Sections 1  
through 6 of this act may be cited as the "General  
Appropriation Act of 2010".

Section 2. ~~[NEW MATERIAL]~~ DEFINITIONS.--As used in the  
General Appropriation Act of 2010:

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

B. "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

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1 Leasing Act;

2 C. "general fund" means that fund created by Section  
3 6-4-2 NMSA 1978 and includes federal Mineral Lands Leasing Act  
4 receipts and those payments made in accordance with federal  
5 block grants and the federal Workforce Investment Act, but  
6 excludes the general fund operating reserve, the appropriation  
7 contingency fund, the tax stabilization reserve and any other  
8 fund, reserve or account from which general appropriations are  
9 restricted by law;

10 D. "interagency transfers" means revenue, other than  
11 internal service funds, legally transferred from one agency to  
12 another;

13 E. "internal service funds" means:

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

17 (2) unreserved undesignated fund balances in  
18 agency internal service fund accounts appropriated by the  
19 General Appropriation Act of 2010;

20 F. "other state funds" means:

21 (1) unreserved undesignated balances in agency  
22 accounts, other than in internal service fund accounts,  
23 appropriated by the General Appropriation Act of 2010;

24 (2) all revenue available to agencies from  
25 sources other than the general fund, internal service funds,

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1 interagency transfers and federal funds; and

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

4 G. "revenue" means all money received by an agency  
5 from sources external to that agency, net of refunds and other  
6 correcting transactions, other than from issue of debt,  
7 liquidation of investments or as agent or trustee for other  
8 governmental entities or private persons.

9 Section 3. [NEW MATERIAL] GENERAL PROVISIONS.--

10 A. For fiscal year 2011, appropriations are made as  
11 set out in Section 4 of the General Appropriation Act of 2010  
12 from the general fund, internal service funds and interagency  
13 transfers or other state funds as indicated to state agencies  
14 named or for the purposes expressed, or so much thereof as may  
15 be necessary, within available revenue and unreserved  
16 undesignated fund balances.

17 B. Unreserved undesignated fund balances in agency  
18 accounts remaining at the end of fiscal year 2011 shall revert  
19 to the general fund by September 30, 2011, unless otherwise  
20 indicated in the General Appropriation Act of 2010 or otherwise  
21 provided by law.

22 C. The state budget division of the department of  
23 finance and administration shall monitor revenue received by  
24 agencies from sources other than the general fund and shall  
25 reduce the operating budget of any agency whose revenue from

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1 such sources is not meeting projections.

2 D. Except as otherwise specifically stated in the  
3 General Appropriation Act of 2010, appropriations are made in  
4 that act for the expenditures of agencies and for other  
5 purposes as required by existing law for fiscal year 2011. If  
6 any other act of the second session of the forty-ninth  
7 legislature changes existing law with regard to the name or  
8 responsibilities of an agency or the name or purpose of a fund  
9 or distribution, the appropriation made in the General  
10 Appropriation Act of 2010 shall be transferred from the agency,  
11 fund or distribution to which an appropriation has been made as  
12 required by existing law to the appropriate agency, fund or  
13 distribution provided by the new law.

14 E. Pursuant to Sections 6-3-23 through 6-3-25 NMSA  
15 1978, the state budget division may approve increases in  
16 budgets for state agencies whose revenues from other state  
17 funds, internal service funds and interagency transfers exceed  
18 amounts specified in the General Appropriation Act of 2010. If  
19 approved by the state budget division, such increases in other  
20 state funds, internal service funds and interagency transfers  
21 are hereby appropriated.

22 F. For the purpose of administering the General  
23 Appropriation Act of 2010, the state shall follow the modified  
24 accrual basis of accounting for governmental funds in  
25 accordance with the manual of model accounting practices issued

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1 by the department of finance and administration.

2 G. When approving budgets based on appropriations in  
3 the General Appropriation Act of 2010, the state budget  
4 division is specifically authorized to approve budgets in  
5 accordance with generally accepted accounting principles and  
6 the authority to extend the availability period of an  
7 appropriation through the use of an encumbrance shall follow  
8 the modified accrual basis of accounting for governmental funds  
9 in accordance with the manual of model accounting practices  
10 issued by the department of finance and administration.

11 H. Laws 2009, Chapter 124, Section 4 is repealed  
12 effective July 1, 2010.

13 Section 4. [NEW MATERIAL] FISCAL YEAR 2011  
14 APPROPRIATIONS.--

15 A. LEGISLATIVE.--Eighteen million four hundred  
16 fifty-six thousand seven hundred dollars (\$18,456,700) is  
17 appropriated from the general fund to the legislative council  
18 service for allocation to legislative agencies in fiscal year  
19 2011.

20 B. JUDICIAL.--Two hundred four million one hundred  
21 twenty-seven thousand three hundred dollars (\$204,127,300) from  
22 the general fund, twenty million two hundred fifty thousand six  
23 hundred dollars (\$20,250,600) from other state funds, eight  
24 million eighty thousand eight hundred dollars (\$8,080,800) from  
25 internal service funds/interagency transfers and two million

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1 two hundred eighteen thousand four hundred dollars (\$2,218,400)  
2 from federal funds is appropriated to the administrative office  
3 of the courts for allocation to judicial agencies in fiscal  
4 year 2011.

5 C. GENERAL CONTROL.--One hundred eighty-seven  
6 million four hundred eighty-eight thousand one hundred dollars  
7 (\$187,488,100) from the general fund, one billion two hundred  
8 forty-nine million eighty-eight thousand five hundred dollars  
9 (\$1,249,088,500) from other state funds, twenty-seven million  
10 five hundred four thousand four hundred dollars (\$27,504,400)  
11 from internal service funds/interagency transfers and seventeen  
12 million eight hundred forty-two thousand eight hundred dollars  
13 (\$17,842,800) from federal funds is appropriated to the  
14 department of finance and administration for allocation to  
15 general control agencies in fiscal year 2011.

16 D. COMMERCE AND INDUSTRY.--Fifty-four million eight  
17 hundred sixteen thousand nine hundred dollars (\$54,816,900)  
18 from the general fund, forty-nine million one hundred thousand  
19 one hundred dollars (\$49,100,100) from other state funds,  
20 seventeen million one hundred forty-five thousand five hundred  
21 dollars (\$17,145,500) from internal service funds/interagency  
22 transfers and six hundred eighty thousand five hundred dollars  
23 (\$680,500) from federal funds is appropriated to the department  
24 of finance and administration for allocation to commerce and  
25 industry agencies in fiscal year 2011.

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1           E.   AGRICULTURE, ENERGY AND NATURAL RESOURCES.--

2   Seventy-seven million seven hundred eighty-one thousand dollars  
3   (\$77,781,000) from the general fund, eighty-three million eight  
4   hundred sixty-three thousand nine hundred dollars (\$83,863,900)  
5   from other state funds, twenty-one million three hundred  
6   seventy-nine thousand five hundred dollars (\$21,379,500) from  
7   internal service funds/interagency transfers and thirty-six  
8   million one hundred sixty-four thousand dollars (\$36,164,000)  
9   from federal funds is appropriated to the department of finance  
10  and administration for allocation to agriculture, energy and  
11  natural resource agencies in fiscal year 2011.

12           F.   HEALTH, HOSPITALS AND HUMAN SERVICES.--One

13  billion two hundred seventy-four million seven hundred  
14  forty-two thousand nine hundred dollars (\$1,274,742,900) from  
15  the general fund, two hundred eighty-eight million three  
16  hundred fifty-three thousand four hundred dollars  
17  (\$288,353,400) from other state funds, two hundred thirty-two  
18  million five hundred thirty-three thousand three hundred  
19  dollars (\$232,533,300) from internal service funds/interagency  
20  transfers and four billion one hundred thirteen million three  
21  hundred sixty-one thousand two hundred dollars (\$4,113,361,200)  
22  from federal funds is appropriated to the department of finance  
23  and administration for allocation to health, hospitals and  
24  human services agencies in fiscal year 2011.

25           G.   PUBLIC SAFETY.--Three hundred eighty-five million

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1 four hundred nineteen thousand six hundred dollars  
2 (\$385,419,600) from the general fund, twenty-nine million six  
3 hundred thirty-six thousand two hundred dollars (\$29,636,200)  
4 from other state funds, twelve million one hundred fifty-four  
5 thousand six hundred dollars (\$12,154,600) from internal  
6 service funds/interagency transfers and sixty-five million  
7 seven hundred thirty-six thousand two hundred dollars  
8 (\$65,736,200) from federal funds is appropriated to the  
9 department of finance and administration for allocation to  
10 public safety agencies in fiscal year 2011.

11 H. TRANSPORTATION.--Four hundred five million four  
12 hundred fifteen thousand seven hundred dollars (\$405,415,700)  
13 from other state funds and three hundred sixty-six million five  
14 hundred twelve thousand seven hundred dollars (\$366,512,700)  
15 from federal funds is appropriated to the department of finance  
16 and administration for allocation to transportation agencies in  
17 fiscal year 2011.

18 I. OTHER EDUCATION.--Forty-five million four hundred  
19 ninety thousand dollars (\$45,490,000) from the general fund,  
20 eighteen million eight hundred fifty thousand two hundred  
21 dollars (\$18,850,200) from other state funds, ninety thousand  
22 six hundred dollars (\$90,600) from internal service  
23 funds/interagency transfers and fifty-four million ninety-one  
24 thousand dollars (\$54,091,000) from federal funds is  
25 appropriated to the department of finance and administration

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1 for allocation to other education agencies in fiscal year 2011.

2 J. HIGHER EDUCATION.--Eight hundred thirty-seven  
3 million seven hundred nine thousand dollars (\$837,709,000) from  
4 the general fund, one billion three hundred seventy-four  
5 million six hundred seventeen thousand eight hundred dollars  
6 (\$1,374,617,800) from other state funds, forty-three million  
7 dollars (\$43,000,000) from internal service funds/interagency  
8 transfers and six hundred two million six hundred one thousand  
9 eight hundred dollars (\$602,601,800) from federal funds is  
10 appropriated to the higher education department for expenditure  
11 or allocation to higher education agencies in fiscal year 2011.

12 K. PUBLIC SCHOOL SUPPORT.--Two billion four hundred  
13 sixty-four million two hundred ninety-two thousand eight  
14 hundred dollars (\$2,464,292,800) from the general fund, eight  
15 hundred fifty thousand dollars (\$850,000) from other state  
16 funds and six hundred twenty-seven million ninety-two thousand  
17 dollars (\$627,092,000) from federal funds is appropriated to  
18 the public education department for expenditure or allocation  
19 to public school districts in fiscal year 2011.

20 Section 5. [NEW MATERIAL] APPROPRIATION REDUCTIONS.--

21 A. General fund appropriations in Section 4 of the  
22 General Appropriation Act of 2010 to agencies affected by  
23 reduced telecommunications rates are reduced by a total of five  
24 hundred thousand dollars (\$500,000) to reflect those reduced  
25 department of information technology telecommunications rates.

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1           B. General fund appropriations in Section 4 of the  
2 General Appropriation Act of 2010 to agencies affected by  
3 reduced premiums are reduced by a total of one million nine  
4 hundred seventy-eight thousand six hundred dollars (\$1,978,600)  
5 to reflect reduced general services department risk management  
6 division public liability and property premiums.

7           C. General fund appropriations in Section 4 of the  
8 General Appropriation Act of 2010 to agencies affected by  
9 reduced assessments are reduced by a total of three hundred  
10 sixty-six thousand eight hundred dollars (\$366,800) to reflect  
11 reduced department of information technology statewide human  
12 resource, accounting and management reporting system  
13 assessments.

14           D. General fund appropriations in Section 4 of the  
15 General Appropriation Act of 2010 to affected agencies are  
16 reduced by twenty-five million dollars (\$25,000,000) to reflect  
17 reductions recommended by the committee on government  
18 efficiency.

19           E. General fund appropriations in Section 4 of the  
20 General Appropriation Act of 2010 are reduced by a total of one  
21 hundred fifty-eight million eighty-nine thousand eight hundred  
22 dollars (\$158,089,800) to implement savings measures agreed to  
23 by the governor and legislature.

24           F. General fund appropriations in Section 4 of the  
25 General Appropriation Act of 2010 to agencies covered by a

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1 state system employing persons who have retired from a state  
2 system and returned to work without suspending their retirement  
3 are reduced by a total of four million dollars (\$4,000,000) to  
4 reflect savings resulting from the elimination of the right of  
5 such retired persons to return to work for an agency covered by  
6 a state system without suspending their retirement. This  
7 reduction is contingent upon enactment of a bill of the second  
8 session of the forty-ninth legislature prohibiting retirees  
9 from a state system from returning to work with an agency  
10 covered by a state system without suspending their retirement.  
11 As used in this subsection, "state system" means a retirement  
12 program provided for in the Educational Retirement Act, the  
13 Public Employees Retirement Act, the Magistrate Retirement Act  
14 or the Judicial Retirement Act.

15 G. General fund appropriations in Section 4 of the  
16 General Appropriation Act of 2010 to affected agencies are  
17 reduced by a total of three million nine hundred seventy-six  
18 thousand four hundred dollars (\$3,976,400) to reflect savings  
19 realized by keeping exempt positions vacant.

20 H. The reductions in Subsections A through G of  
21 this section are cumulative.

22 I. In order to effectuate the reductions made in  
23 Subsections A through G of this section, the state budget  
24 division of the department of finance and administration shall  
25 reduce the operating budget of each agency affected by a

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1 reduction.

2 Section 6. [NEW MATERIAL] TRANSFER AUTHORITY.--If revenue  
3 and transfers to the general fund as of the end of fiscal year  
4 2010 are not sufficient to meet appropriations, the governor,  
5 with state board of finance approval, may transfer at the end  
6 of that year the amount necessary to meet the year's  
7 obligations from the unexpended balance remaining in the  
8 separate account of the appropriation contingency fund  
9 dedicated to implementing and maintaining educational reforms  
10 created in Laws 2004, Chapter 114, Section 12 in a total not to  
11 exceed fifty-nine million dollars (\$59,000,000).

12 Section 7. A new section of the General Appropriation Act  
13 of 2009 is enacted to read:

14 "[NEW MATERIAL] FISCAL YEAR 2010 REVERSIONS TO IMPLEMENT  
15 EXECUTIVE ORDER 2009-044.--Notwithstanding any other provision  
16 of the General Appropriation Act of 2009 or other law  
17 concerning the timing of reversions or the nonreverting status  
18 of funds to the contrary, agencies listed in Subsection A of  
19 Section 1 of Executive Order 2009-044 shall revert to the  
20 general fund on June 30, 2010 an amount equal to the sum of (1)  
21 the expenditure restriction for the agency set forth in  
22 Subsection A of Section 1 of the executive order; and (2) the  
23 amount of personal services and employee benefit savings at the  
24 agency to be realized pursuant to the furlough plan adopted  
25 pursuant to Section 2 of the executive order."

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