RELATING TO THE LEGISLATIVE FINANCE COMMITTEE; PROVIDING FOR PROGRAM EVALUATION AND REVIEW BY THE LEGISLATIVE FINANCE COMMITTEE OF AGENCIES AND ENTITIES THAT RECEIVE STATE FUNDING; PROVIDING FOR PLANNING BASED ON PROGRAM EVALUATION AND REVIEW; PROVIDING FOR THE RECEIPT AND PROTECTION OF CONFIDENTIAL MATERIAL BY THE LEGISLATIVE FINANCE COMMITTEE.

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

SECTION 1. A new section of Chapter 2, Article 5 NMSA 1978 is enacted to read:

"PROGRAM EVALUATION AND REVIEW. --

- A. As used in this section, "agency" means any department, agency, institution or instrumentality of the state or a political subdivision of the state.
- B. The legislative finance committee shall establish a "program evaluation division" staffed by persons knowledgeable and proficient in program and performance evaluation, research or policy analysis. Program evaluation division staff shall be appointed without regard to party affiliation and solely on the appointees' fitness to perform the duties of the positions for which they are hired.
- C. The program evaluation division shall conduct program evaluations, information technology evaluations and special reviews of agencies to:

1	(l) provide policymakers with objective,
2	independent and credible assessments of those agencies to
3	allow policymakers to hold agencies accountable for proper
4	use of public funds;
5	(2) determine whether expenditures of public
6	funds are producing desired performance outcomes and results;
7	(3) determine whether agencies are complying
8	with state and federal procedures relevant to their operation
9	and funding;
10	(4) determine whether policy alternatives
11	could improve operations and save money;
12	(5) assess the effect of agency operations
13	on state finances;
14	(6) determine whether changes to agencies'
15	performance-based budgets pursuant to the Accountability in
16	Government Act should be considered;
17	(7) determine whether to recommend the
18	restructuring of ineffective programs or the elimination of
19	unnecessary programs; and
20	(8) plan future appropriations based on
21	demonstrated performance outcomes and results.
22	D. The program evaluation division, in
23	consultation with agencies, shall establish objective
24	performance measures for evaluating each program.

E. Pursuant to this section, the program

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1	evaluation division shall report the results of work
2	performed, including recommendations to an agency's
3	performance-based budget, to the legislative finance
4	committee and shall make final reports available to the
5	legislature and the public. Background material, including
6	working papers and notes, used as part of any program
7	evaluation or review are not public records for the purpose
8	of the Inspection of Public Records Act."
9	SECTION 2. Section 2-5-7 NMSA 1978 (being Laws 1957,
10	Chapter 3, Section 6, as amended) is amended to read:
11	"2-5-7. COOPERATION
12	A. Each agency shall, upon request, furnish and
13	make available to the legislative finance committee such
14	documents, material or information as may be requested by t
15	committee or its director or staff. Information provided by
16	an agency under this section that is confidential by law or
17	exempt from public inspection under the Inspection of Public
18	Records Act shall not be disclosed by members of the
19	committee, its director or staff.

A 1978 (being Laws 1957, is amended to read: upon request, furnish and finance committee such as may be requested by the Information provided by is confidential by law or r the Inspection of Public by members of the B. As used in this section, "agency" means any department, agency, institution or instrumentality of the

state or a political subdivision of the state."_____

SB 187 Page 3

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