

1 A MEMORIAL

2 REQUESTING THE LEGISLATIVE FINANCE COMMITTEE, THE DEPARTMENT
3 OF FINANCE AND ADMINISTRATION AND THE LEGISLATIVE COUNCIL
4 SERVICE TO COLLABORATE ON A PROCESS TO PRIORITIZE, REVIEW AND
5 MONITOR CAPITAL OUTLAY PROJECTS.

6
7 WHEREAS, the state currently has no uniform means for
8 setting priorities for the expenditure of capital outlay
9 funding when some capital outlay funds reflect the priorities
10 of legislators and others reflect the priorities of the
11 governor; and

12 WHEREAS, uniformity of evaluation becomes even more
13 difficult when some capital outlay projects are well on their
14 way to completion while other exciting initiatives languish
15 for lack of start-up money; and

16 WHEREAS, the needs of legislative districts vary so
17 widely that some districts may lack even minimally graded
18 roads that enable students to attend schools while others
19 refine the texture of asphalt at baseball field parking lots,
20 and some districts have no playgrounds while others use
21 capital outlay funds to refurbish elegant buildings; and

22 WHEREAS, some areas actually lack indoor plumbing,
23 electricity and potable water supplies while others seek
24 capital to upgrade relatively new facilities; and

25 WHEREAS, some capital outlay projects that otherwise

1 would not be evaluated as a high priority become a priority
2 if they must meet a deadline in order to draw down matching
3 funds from other sources, and matching funds can save the
4 state money in the long run; and

5 WHEREAS, setting priorities so that the state's
6 residents are treated equitably can be next to impossible,
7 given the variety of needs, the levels of project completion
8 and the urgency presented in communities across the state;
9 and

10 WHEREAS, some capital outlay projects can be funded in
11 phases while others require all of the money at once in order
12 to be completed; and

13 WHEREAS, some tribal projects that are funded partially
14 with state capital also require tribal funding, but these
15 projects have not been discussed with tribal governments,
16 although tribal contracting processes involve consultation
17 with the federal bureau of Indian affairs and other federal
18 authorities prior to commencing a project and consideration
19 in the context of tribal budgets, if not already approved for
20 funding; and

21 WHEREAS, even though basic capital outlay priorities
22 lack a standard framework for evaluation, models of
23 evaluation have already been set for public schools, for
24 roads with federal funding and for New Mexico Finance
25 Authority Act projects; and

1 WHEREAS, the state is required to collaborate with
2 tribal governments on "the development and implementation of
3 policies, agreements and programs" directly affecting Indian
4 nations, tribes and pueblos in the state; and

5 WHEREAS, the reorganization and clarification of capital
6 outlay processes certainly affect Indian nations, tribes and
7 pueblos and could "promote effective communication, positive
8 government-to-government relations" and lead to "effective
9 services" for New Mexico's tribal populations, as required by
10 law; and

11 WHEREAS, even though roads, schools and New Mexico
12 finance authority initiatives have a structure for capital
13 outlay funding, the state still has no organized framework
14 for initiating, funding, overseeing and prioritizing
15 much-needed tribal projects that must survive the complex
16 approval process in another two levels of government even
17 after New Mexico legislative approval; and

18 WHEREAS, it appears that a committee or working group
19 representing competing interests presented by geographic and
20 population disparity would be helpful in sorting through
21 priorities and devising a framework by which to weigh the
22 need for, versus the availability of, capital outlay funds;
23 and

24 WHEREAS, while oversight and review of existing projects
25 are currently provided by a variety of departments with a

1 variety of standards, a single mode of evaluation and review
2 would aid the state in deciding whether to continue or to
3 divert funds that have been allocated to a capital outlay
4 project;

5 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE
6 STATE OF NEW MEXICO that the legislative finance committee,
7 the department of finance and administration, the New Mexico
8 municipal league, the New Mexico association of counties, the
9 all Indian pueblo council, the Navajo Nation and the
10 legislative council service be requested to collaborate on a
11 process to prioritize, review and monitor capital outlay
12 projects; and

13 BE IT FURTHER RESOLVED that the entities establish a
14 capital outlay planning and review committee; and

15 BE IT FURTHER RESOLVED that the committee be granted the
16 authority to request an audit by the state auditor or a
17 financial compliance or performance audit by the department
18 of finance and administration or the legislative finance
19 committee; and

20 BE IT FURTHER RESOLVED that, by January 1, 2012, the
21 committee recommend to the legislature through the
22 appropriate interim committee a framework for:

23 A. making priority-setting for capital outlay
24 projects more uniform;

25 B. establishing procedures to ensure current and

1 complete accounting and reporting on capital projects; and

2 C. analyzing requests in light of the critical
3 needs of the state; the need for the capital project; the
4 ability to phase the capital project, if necessary; the
5 ability of the recipient to provide adequate staffing and
6 funding for future operations; the expected useful life of
7 the capital project; the available alternatives to the
8 capital project; the availability of matching funds; the need
9 for coordination with tribal entities, as appropriate; and
10 other considerations as determined by the committee; and

11 BE IT FURTHER RESOLVED that the capital outlay planning
12 and review committee invite representatives of federal
13 agencies that provide loans and grants to New Mexico
14 communities to participate in its meetings and invite others
15 who influence the amount and type of funding available for
16 capital outlay projects; and

17 BE IT FURTHER RESOLVED that copies of this memorial be
18 transmitted to the directors of the legislative council
19 service and the legislative finance committee, the executive
20 directors of the New Mexico municipal league and the New
21 Mexico association of counties, the chair of the all Indian
22 pueblo council, the president of the Navajo Nation and the
23 secretary of finance and administration. _____