

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

AN ACT  
RELATING TO STATE EXPENDITURES; REDUCING LEGISLATIVE  
APPROPRIATIONS IN LAWS 2016, CHAPTER 1; ENACTING A NEW  
SECTION OF THE GENERAL APPROPRIATION ACT OF 2016 TO REDUCE  
CERTAIN GENERAL FUND APPROPRIATIONS FOR FISCAL YEAR 2017;  
MAKING AN APPROPRIATION.

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

SECTION 1. LEGISLATIVE BRANCH APPROPRIATION  
REDUCTIONS.--The appropriations made from the general fund in  
Laws 2016, Chapter 1, Sections 3 through 8 are reduced by  
three percent rounded to the nearest one hundred dollars  
(\$100). To meet the reductions required by this section and  
maintain government efficiency, the New Mexico legislative  
council shall determine the amount of reduction applied to  
each legislative agency and purpose and may transfer amounts  
from any of the appropriations in Laws 2016, Chapter 1 to any  
other legislative appropriation where they may be amended.

SECTION 2. A new section of the General Appropriation  
Act of 2016 is enacted to read:

"APPROPRIATION REDUCTIONS.--  
A. Except as provided in Subsections B through J  
of this section, all amounts set out under the general fund  
column in Section 4 of the General Appropriation Act of 2016  
are reduced by five and one-half percent rounded to the

1 nearest one hundred dollars (\$100).

2 B. The general fund appropriations in Section 4 of  
3 the General Appropriation Act of 2016 for the university of  
4 New Mexico, New Mexico state university, New Mexico highlands  
5 university, western New Mexico university, eastern New Mexico  
6 university, New Mexico institute of mining and technology,  
7 northern New Mexico college, Santa Fe community college,  
8 central New Mexico community college, Luna community college,  
9 Mesalands community college, New Mexico junior college,  
10 San Juan college, Clovis community college, New Mexico  
11 military institute, New Mexico school for the blind and  
12 visually impaired and New Mexico school for the deaf are  
13 reduced by five percent rounded to the nearest one hundred  
14 dollars (\$100). ~~The reductions provided for in this~~  
15 ~~subsection shall be prioritized to the non-instructional~~  
16 ~~expenditures of the educational institutions.~~

17 C. The general fund appropriations in Section 4 of  
18 the General Appropriation Act of 2016 to the supreme court  
19 law library, judicial standards commission, court of appeals,  
20 supreme court, administrative office of the courts, supreme  
21 court building commission, district courts, Bernalillo county  
22 metropolitan court, district attorneys, administrative office  
23 of the district attorneys and public defender department are  
24 reduced by three percent rounded to the nearest one hundred  
25 dollars (\$100).

1           D. The general fund appropriations in Section 4 of  
2 the General Appropriation Act of 2016 to the following are  
3 reduced by two and one-half percent rounded to the nearest  
4 one hundred dollars (\$100):

- 5                   (1) legislative building services; and
- 6                   (2) for the human services department:
  - 7                           (a) program support;
  - 8                           (b) the child support enforcement  
9 program;
  - 10                           (c) the income support program; and
  - 11                           (d) the behavioral health services  
12 program.

13           E. The general fund appropriations in Section 4 of  
14 the General Appropriation Act of 2016 to the following  
15 programs of the corrections department are reduced by one and  
16 one-half percent rounded to the nearest one hundred dollars  
17 (\$100):

- 18                   (1) the inmate management and control  
19 program;
- 20                   (2) the community offender management  
21 program; and
- 22                   (3) program support.

23           F. The general fund appropriations in Section 4 of  
24 the General Appropriation Act of 2016 to the following are  
25 not reduced:

- 1 (1) for the human services department:  
2 (a) the medical assistance program; and  
3 (b) medicaid behavioral health program;  
4 (2) for the department of health:  
5 (a) the facilities management program;  
6 (b) the developmental disabilities  
7 support program; and  
8 (c) contracts for sexual assault  
9 services and prevention in the epidemiology and response  
10 program;  
11 (3) the veterans' services department;  
12 (4) the children, youth and families  
13 department;  
14 (5) the department of public safety;  
15 (6) for the legislative council service, the  
16 energy council dues; and  
17 (7) for the public education department, the  
18 special appropriations made in Subparagraphs (e), (j) and  
19 (k).

20 G. The general fund appropriations in Section 4 of  
21 the General Appropriation Act of 2016 to the following are  
22 reduced as follows:

23 ~~(1) public education department special~~  
24 ~~appropriations made in Subparagraphs (a) through (d), (f)~~  
25 ~~through (i) and (1) through (t) are reduced by twenty-two~~

1 ~~million dollars (\$22,000,000) in the aggregate;~~

2 (2) the state equalization guarantee  
3 distribution for public school support is reduced by thirty-  
4 seven million eight hundred thousand dollars (\$37,800,000);  
5 provided that the secretary of public education shall set the  
6 final unit value one and one-half percent lower than the  
7 preliminary unit value by December 15, 2016 to account for  
8 the reduction provided for in this paragraph, and the  
9 reduction shall be prioritized to the non-instructional  
10 expenditures of the school districts and charter schools, and  
11 for fiscal year 2017, if the program cost made available is  
12 insufficient to meet the level of state support required by  
13 the special education maintenance of effort requirements of  
14 Part B of the federal Individuals with Disabilities Education  
15 Act, the public education department may reduce the state  
16 equalization guarantee distribution in an amount that equals  
17 the projected shortfall and distribute that amount to school  
18 districts and charter schools in the same manner and on the  
19 same basis as the state equalization guarantee distribution  
20 to meet the level of support required by Part B of the  
21 federal Individuals with Disabilities Education Act for  
22 fiscal year 2017; and

23 (3) the transportation distribution,  
24 supplemental distribution, instructional material fund, dual-  
25 credit instructional materials, Indian education fund and

1 standards-based assessments are reduced by thirty million  
2 dollars (\$30,000,000) in the aggregate.

3 H. Notwithstanding the provisions of the Public  
4 School Finance Act and the Instructional Material Law, the  
5 use of cash balances derived from general fund appropriations  
6 for instructional materials and school transportation made in  
7 fiscal year 2016 and previous fiscal years shall not be  
8 restricted in fiscal year 2017 and may be transferred to the  
9 operational fund. ~~The public education department shall  
10 provide the legislative finance committee and the legislative  
11 education study committee with a report on the amount spent  
12 and transferred from the cash balances.~~

13 I. Notwithstanding the provisions of the Public  
14 School Capital Improvements Act and the Public School  
15 Buildings Act, property tax revenue generated from an  
16 election pursuant to these acts in fiscal year 2017 or  
17 previous fiscal years or cash balances derived from property  
18 taxes imposed pursuant to these acts in previous fiscal years  
19 may be used for any purpose; provided that, if a new purpose  
20 is designated that does not conform with the original  
21 resolution, a new resolution shall be submitted to the  
22 qualified electors prior to repurposing any property tax  
23 revenue imposed pursuant to the acts.

24 J. Notwithstanding the provisions of the  
25 Instructional Material Law, a school district or charter

1 school may use up to one hundred percent of its 2017  
2 instructional material allocation or cash balances derived  
3 from prior allocations for instructional materials and other  
4 classroom materials without restrictions on the use of funds  
5 established in Subsection C of Section 22-15-9 NMSA 1978;  
6 provided that the funds are used for instructional materials  
7 and other classroom materials as defined in Section 22-15-2  
8 NMSA 1978."

9 SECTION 3. A new section of the General Appropriation  
10 Act of 2016 is enacted to read:

11 "OPERATING BUDGETS AND ALLOTMENTS REDUCED TO COMPLY--  
12 DEPARTMENT OF FINANCE AND ADMINISTRATION.--The department of  
13 finance and administration and, for legislative branch  
14 reductions, the New Mexico legislative council shall reduce  
15 fiscal year 2017 operating budgets and adjust allotments to  
16 comply with the provisions of this 2016 act and may reduce  
17 appropriations from other state funds, internal  
18 service/interagency transfers and federal funds as necessary  
19 to match the general fund reductions in the fiscal year 2017  
20 operating budgets. The legislative finance committee shall  
21 review the adjusted operating budgets in a timely manner."

22 ~~SECTION 4. TEMPORARY PROVISION--REPORTS.--The~~  
23 ~~department of finance and administration, the higher~~  
24 ~~education department for public post-secondary educational~~  
25 ~~institutions and special schools and the public education~~

1 ~~department for public schools shall report the new operating~~  
2 ~~budgets, including allotment adjustments, to the New Mexico~~  
3 ~~legislative council, the legislative finance committee and~~  
4 ~~the legislative education study committee on the~~  
5 ~~implementation of this act for state government, public post-~~  
6 ~~secondary educational institutions and public schools.~~  
7 ~~Reports, including new operating budgets, shall be published~~  
8 ~~on the departments' websites.~~

9 SECTION 5. TEMPORARY PROVISION--FISCAL YEAR 2017--  
10 BUDGET ADJUSTMENT REQUESTS--PUBLIC POST-SECONDARY EDUCATIONAL  
11 INSTITUTIONS.--

12 A. For fiscal year 2017, upon approval of the  
13 higher education department and review of the legislative  
14 finance committee, the state budget division of the  
15 department of finance and administration may approve a budget  
16 adjustment request to transfer money to the category of  
17 instruction and general purposes of up to twenty-five percent  
18 of the following appropriations made pursuant to the General  
19 Appropriation Act of 2016:

20 (1) from an appropriation to a university,  
21 community college, branch campus or other institution  
22 identified in Subsection C of this section, in the category  
23 of appropriations classified as other;

24 (2) from an appropriation to a university,  
25 community college, branch campus or other institution



1 identified in Subsection C of this section, for research and  
2 public service projects or athletics;

3 (3) from an appropriation to a university  
4 identified in Paragraphs (1) through (5) of Subsection C of  
5 this section, for instructional television; and

6 (4) from an appropriation to a branch campus  
7 of a university identified in Paragraphs (1) through (4) of  
8 Subsection C of this section or to an institution identified  
9 in Paragraphs (6) through (13) of Subsection C of this  
10 section, for any purpose excluding instructional and general  
11 purposes.

12 ~~B. The higher education department shall not~~  
13 ~~approve a budget adjustment request to transfer money from an~~  
14 ~~appropriation for a state agency or program administered by a~~  
15 ~~university identified in Paragraphs (1) through (5) of~~  
16 ~~Subsection C of this section.~~

17 C. The provisions of this section apply to the  
18 following post-secondary educational institutions:

19 (1) the university of New Mexico, including  
20 each of its branch campuses;

21 (2) New Mexico state university, including  
22 each of its branch campuses;

23 (3) New Mexico highlands university,  
24 including each of its branch campuses;

25 (4) eastern New Mexico university, including

1 each of its branch campuses;

2 (5) the New Mexico institute of mining and  
3 technology;

4 (6) northern New Mexico college;

5 (7) Santa Fe community college;

6 (8) central New Mexico community college;

7 (9) Luna community college;

8 (10) Mesalands community college;

9 (11) New Mexico junior college;

10 (12) San Juan college;

11 (13) Clovis community college; and

12 (14) the New Mexico military institute.

13 SECTION 6. APPROPRIATION.--One million dollars  
14 (\$1,000,000) is appropriated from the general fund to the  
15 department of finance and administration for expenditure in  
16 fiscal year 2017 for distribution with approval of the state  
17 board of finance to agencies experiencing hardships in fiscal  
18 year 2017 resulting from reductions made in this act. The  
19 ~~department of finance and administration shall report to the~~  
20 ~~legislative finance committee and the legislative education~~  
21 ~~study committee on expenditures made from this appropriation.~~  
22 Any unexpended or unencumbered balance remaining at the end  
23 of fiscal year 2017 shall revert to the general fund. \_\_\_\_\_