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FISCAL IMPACT REPORT

SPONSOR Rue ORIGINAL DATE 1/25/18
LAST UPDATED _____ HB _____

SHORT TITLE Sunshine Portal Audit and Compliance SB 83

ANALYST Fernandez

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY18	FY19		
	\$50.0	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Administrative Office of the Courts (AOC)

State Auditor

No Response Received

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

Senate Bill 83 appropriates \$50 thousand from the general fund to the State Auditor to contract with an independent third party to review compliance of legislative, executive and judicial agencies with the Sunshine Portal Transparency Act.

FISCAL IMPLICATIONS

The appropriation of \$50 thousand contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2019 shall revert to the general fund.

SIGNIFICANT ISSUES

Section 10-16D-3 NMSA 1978 established the “sunshine portal” which requires the Department of Information Technology with Department of Finance and Administration to operate and

maintain a single internet website that is free, user-friendly, searchable and accessible to the public. Section 10-16D-3 NMSA 1978 requires the public have access to certain agency financial information, state investment account data, state contract information, consensus revenue estimates, state agency cash balances and reversions, public employee position and salary information and links to various websites.

State agencies are required to provide financial information as frequently as possible but at a minimum monthly. DoIT is required to update the website as new information is received but at a minimum, monthly.

The most recent deadline in the Act (no later than January 1, 2017) requires a state agency that enters into a contract for the lease, sale or development of state land and all contracts with a total price of \$20 thousand to post the name of the recipient of the contract, purpose, amounts expended and a copy of the contract document or link.

PERFORMANCE IMPLICATIONS

The Office of the State Auditor indicates that they will develop a scope of work with an independent auditor to “review compliance”. Further, the State Auditor indicates it is unclear if the legislative intent is to undertake a review of the status of state agency compliance as of January 2018 or if the intent is to include the entire period since implementation of the Act.

ADMINISTRATIVE IMPLICATIONS

The State Auditor indicates that while a compliance audit is useful to determine which agencies are not in compliance with the Act, it could be attributed to staff and/or budget issues. Alternatively, the State Auditor indicates the appropriation could be designated for identifying deficient information and assisting agencies with compliance.

CTF/jle/al