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HOUSE BILL 209

52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015

INTRODUCED BY

Tomás E. Salazar

AN ACT

RELATING TO THE STATE FISC; REQUIRING PERIODIC REVERSION OF
SPECIAL FUNDS TO THE GENERAL FUND; PROVIDING EXCEPTIONS;
PROVIDING FOR REVIEW OF FUNDS AND RECOMMENDATIONS TO THE
LEGISLATURE EACH YEAR.

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

SECTION 1. ~~[NEW MATERIAL]~~ LEGISLATIVE FINDINGS AND
PURPOSE--SPECIAL FUNDS--FIVE-YEAR REVERSIONS--EXCEPTIONS.--

A. The legislature finds that the proliferation of
special funds that do not revert to the general fund is
counterproductive to good government. The purpose of this
section is to establish a mechanism for ongoing legislative
review of the continued efficacy of nonreverting special funds
and the programs they support.

B. Notwithstanding general laws to the contrary, at

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1 least one-fifth of all special nonreverting funds in the state
2 treasury shall revert to the general fund each year, except
3 funds that are:

4 (1) constitutionally created as nonreverting
5 funds or statutory funds created to carry out Enabling Act for
6 New Mexico or constitutional mandates;

7 (2) actuarially obligated;

8 (3) created pursuant to court order or made
9 nonreverting pursuant to court order;

10 (4) funded by severance tax bonds or other
11 bonds for active projects under contract that have not been
12 completed;

13 (5) permanent, trust or endowment funds;

14 (6) sinking funds, unless the project for
15 which the sinking fund was created is completed;

16 (7) suspense funds;

17 (8) revolving loan funds; or

18 (9) gifts, grants or donations that are
19 specific to purpose.

20 C. The state auditor shall establish a schedule of
21 review of special nonreverting funds in the state treasury.

22 Each year, the state auditor shall develop a list, including
23 review findings, that includes at least one-fifth of special
24 funds in the state treasury that are not excepted pursuant to
25 Subsection B of this section that are recommended for

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1 reversion, repeal or amendment. The state auditor shall report
2 the recommendations to the legislative finance committee and
3 other appropriate legislative interim committees by November 1
4 of each year. The state treasurer, the department of finance
5 and administration, other state agencies and legislative
6 interim committees shall cooperate with and assist the state
7 auditor as requested.

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