LFC Requester:	

AGENCY BILL ANALYSIS
2017 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION
{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original __X__ **Amendment** _____
Correction _____ **Substitute** _____

Date 2/11/17

Bill No: SB71

Sponsor: Senator Sander Rue

Short Title: STATE BUDGET REQUEST SUB-PROGRAMS

Agency Code: 924

Person Writing Matt Pahl

Phone: 470-9909   **Email** Matt.pahl@state.nm.u

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY17	**FY18**		

(Parenthesis ( ) Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY17	**FY18**	**FY19**		

(Parenthesis ( ) Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: SB71 requires that state agencies shall identify and prioritize sub-programs within its performance-based budget request that are evidence-based, research-based, and promising. SB71 also establishes a procedure for compiling and submitting program inventories.

ADMINISTRATIVE ISSUES
In some cases, SB71 would require significantly more resources to develop budget requests than in the past. The Public Education Department consistently makes budget recommendations that are evidence-based, research-based, cost-beneficial and promising. However, programs that are operational in nature, such as accountability and oversight, may have issues complying with the provisions in SB71.

SIGNIFICANT ISSUES
SB71 defines and requires the use of "evidence-based," "research-based," "cost-beneficial," "promising," and "sub-program" as identifiers for elements of agency performance-based program budget requests. SB71 requires that agencies' performance-based budgets indicate the amount of the budget recommendation intended for programs identified as evidence-based, research-based, or promising.

SB71 also requires that agencies complete an inventory of programs selected by the state budget division of the Department of Finance and Administration and submit the results of the inventory as part of the performance-based budget requests. These inventories shall include:
- Identification of sub-programs as evidence-based, research-based, promising, or lacking evidence of effectiveness;
- Sub-program goals and objectives;
- Current and historical budget and spending data;
- Target populations served;
- Number of people served;
- Outcome date demonstrating effectiveness and efficiency;
- Evaluation or audit results; and
- Data demonstrating that the sub-program is or is likely to be cost-beneficial in New Mexico, with cost beneficial programming defined as one for which the cost savings and benefits realized over a "reasonable" period of time are greater than implementation costs.

PERFORMANCE IMPLICATIONS
SB71 establishes certain administrative and procedural requirements regarding program evaluation and reporting to the state budget division of DFA, which may require additional staff resources or funding at certain agencies, depending on whether or not this type of program evaluation is already done at a given agency.