

Capital Outlay Reforms Needed This Legislative Session

By Senator Pete Campos

New Mexico's haphazard process of annually awarding hundreds of millions of dollars to state agencies, and to city, county and tribal governments, for special projects wastes tax dollars on projects that are not ready to be built, are not integrated into an overall plan, cannot be properly maintained or will not be managed by a financially responsible entity.

The good news is that all of these problems can be fixed.

The Capital Outlay Planning and Monitoring Act, which has been prefiled as Senate Bill 20 for the 2014 legislative session and is available to read at www.nmlegis.gov, would greatly improve our process by bringing heightened review and scrutiny to potential capital outlay projects and continued monitoring of the construction and operation of projects. The legislation would create a legislative capital outlay review committee and a capital outlay planning and monitoring division in the executive branch to make sure that only capital outlay projects that are "shovel ready" receive state money and to help ensure that enough money, including significant contributions from local sources, is available to finish a project.

We must also be convinced that local governments have the resources needed to properly operate and maintain a project after it is completed and that local leaders are committed to doing so.

Most importantly, the legislation would ensure that only those local governments that have their finances in order — as evidenced by a clean, up-to-date audit — are eligible for state capital outlay dollars. This encourages even the smallest community to account for and spend tax dollars efficiently.

The legislature worked hard over the last several years to provide the funds necessary to complete unfinished projects; fully fund new projects; fund those projects that will keep serving New Mexicans long after the money that is borrowed for the project is paid back; and fund projects that will improve public safety, health, transportation, schools and water systems. But we can do more, and enacting the Capital Outlay Planning and Monitoring Act into law will help us improve the process.

Capital outlay investments spur economic growth and improve the quality of life throughout New Mexico, but only if they are done right.

