

1 HOUSE BILL 140

2 **53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017**

3 INTRODUCED BY

4 Daymon Ely

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10 AN ACT

11 RELATING TO PUBLIC MONEY; REQUIRING SPECIAL AUDITS ON CERTAIN
12 CAPITAL OUTLAY PROJECTS.

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

15 SECTION 1. A new section of the Audit Act is enacted to
16 read:

17 "[NEW MATERIAL] CAPITAL OUTLAY SPECIAL AUDITS.--

18 A. The provisions of Subsection B of Section 12-6-3
19 NMSA 1978 notwithstanding, every capital outlay project for
20 infrastructure improvements receiving more than one million
21 dollars (\$1,000,000) in state money shall have a special audit
22 at the end of the project that is separate from the fiscal
23 agent's annual audit or any other special audit that might be
24 required by the state auditor to ensure that all funds for the
25 capital outlay project were used properly and in accordance

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1 with the state law that authorized or appropriated funding for
2 the project and any other state laws or local ordinances.

3 B. An agency that is the fiscal agent for a capital
4 outlay project described in Subsection A of this section shall
5 pay for the special audit conducted by independent auditors
6 approved by the state auditor. The capital outlay project
7 audit shall be subject to the Audit Act."

8 SECTION 2. EFFECTIVE DATE.--The effective date of the
9 provisions of this act is July 1, 2017.