



## New Mexico and GASB Statement No. 77

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### Who in state government is most likely to influence GASB 77 disclosure?

#### **State Auditor: Tim Keller (D- elected in 2014; up for re-election in 2018)**

Keller was previously a two-term state senator, where he worked hard for tax incentive reform. He successfully passed three incentive reform bills, emphasizing disclosure, only to see them vetoed-- twice by Democratic Governor Richardson, and once by Republican Governor Martinez.

Keller's office has been a national leader on GASB 77 – travelling the state to educate local officials about GASB 77 and providing technical assistance to promote strong reporting. Keller is requiring local governments to [electronically submit](#) GASB 77 data which will include naming at least some recipients under each incentive subsidy program (any recipient disclosure is optional under Statement No. 77). His office will compile and publish this data starting in Fall, 2017.

### Who commented on the Exposure Draft from New Mexico?

Five supportive GASB 77 comments were submitted from New Mexico:

- The [State's Auditor](#) supported disclosure of personal income tax/sales tax diversions, TIFs (called Tax Increment Development Districts, or TIDDs there), PILOTs, and performance-based incentives.
- The [State Treasurer](#) also supported disclosure of personal income tax/sales tax diversions, TIDDs, PILOTs, and performance-based subsidies and also called for disclosure of top subsidy recipients, by name.
- [New Mexico Voices for Children](#) called for disclosure of TIDDs, bundled subsidies, and future year liabilities of subsidies. (It also signed onto this [joint letter](#).)

- [SouthWest Organizing Project](#) joined with the Progressive Leadership Alliance of Nevada in calling for project-specific disclosure when large project is located in small community.
- The [New Mexico Federation of Teachers](#) (an AFT affiliate) stated tax abatements harm the state's schools and called for film credits and TIDDs to be included under GASB 77, while also suggesting that cost-benefit analysis of each program also be disclosed.

**How many counties, municipalities and school districts in the state are required to conform with GAAP and therefore GASB Statements?**

According to a GASB's [State and Local Government Use of Generally Accepted Accounting Principles for General Purpose External Financial Reporting](#) (published March 2008) all of New Mexico's 33 counties, 101 municipalities, and 96 school districts are required by state law to use GAAP accounting.

**Which state offices collect CAFRS from counties/cities/school districts?**

Auditor Keller's office has the statutory authority to audit all counties, municipalities and taxing districts in the state. As such, his office collects local CAFRs for auditing and analytical purposes. Local government CAFRs, along with audit opinions are posted in a searchable database accessed from the Auditor's [homepage](#).

**Does the state government or do academic/NGO institutions provide technical assistance on GAAP, GASB or completing CAFRs?**

The State Auditor provides technical assistance to local governments on new accounting rules, including GASB standards. In May 2017, Auditor Keller issued a [three-page guidance on compliance with GASB 77](#).

**Does state government monitor fiscal stress within county/municipality/school district?**

Not that we are aware of.

**Which state office is responsible for completing state's CAFR?**

Department of Finance and Administration

## When was the most recent CAFR filed?

New Mexico published its 2016 [CAFR](#) on June 7, 2017. The State's independent auditor has for several years issued a "disclaimer of opinion" meaning that there are insufficient records on which to base an opinion. New Mexico is the only state to have received such a qualified opinion.

## Based on what we know about past filing behavior, when will GASB 77 start appearing in New Mexico?

- **State government:** June 2018
- **Largest cities:**
  - [Albuquerque](#): mid-December 2017
  - [Las Cruces](#): late November 2017
  - [Rio Rancho](#): early-December 2017
- **Largest counties:**
  - [Bernalillo County](#): late October 2017
  - [Dona Ana County](#): early-November 2017
  - [Santa Fe County](#): early-November 2017
- **Largest School Districts**
  - [Albuquerque](#): mid-November 2017
  - [Las Cruces](#): mid-November 2017

For more information on GASB 77, visit: <http://www.goodjobsfirst.org/gasb>

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