

Opinion No. 26-3889

May 14, 1926

BY: ROBERT C. DOW, Assistant Attorney General

TO: Mr. R. H. Carter, State Comptroller, Santa Fe, New Mexico.

This office is in receipt of your letter of May 8th, requesting an opinion relative to the effect of Chapter 80, Session Laws of 1925, on municipalities in so far as said law relates to fiscal years. Section 1 of Chapter 80 is as follows:

"Section 5330 of the New Mexico Statutes, Annotated, Codification of 1915, be and the same is hereby amended to read as follows:

"Sec. 5330. The fiscal year for the state and for the counties, cities, towns, villages and school districts thereof shall begin on July 1 and end on June 30. The year beginning on July 1, 1925, shall be known as the fourteenth fiscal year. PROVIDED, that with reference to appropriations for state purposes, not to exceed seven-twelfths (7-12) of the appropriations for the thirteenth fiscal year, as heretofore known shall be available for expenditure for that portion of said thirteenth fiscal year ending June 30, 1925, and the remaining five-twelfths (5-12) of the appropriations for such thirteenth fiscal year shall apply on and shall not be in addition to the appropriations made for the fourteenth fiscal year as above defined."

You desire to know, first, what effect this law would have upon municipalities which prior to the passage of the Act operated on a different fiscal year. The fiscal year for the municipality which you have reference to ended on March 31st and began on April 1st of each year at the time this law was passed; this law was approved on March 17, 1925, and did not carry the emergency clause, and, therefore, became effective on June 17, 1925. The State Legislature made provision for appropriations for State purposes, but it did not make provisions for counties, cities, towns, villages or school districts. This Act of the Legislature automatically changed the fiscal year for such municipalities and there is necessarily three months for the year 1926 for which there is no official appropriation, unless the municipality made provision for these three months in making up its budget for said year.

The budget made during June, 1925, really should have provided for the extra three months, thereby carrying the official appropriation thru to June 30, 1926.

This, no doubt, will work a hardship upon any municipality which did not take cognizance of the law and some method will necessarily have to be worked out to cover such conditions and circumstances. Under the foregoing law, however, I am of the opinion that said law automatically changed the fiscal period for municipalities and that said law was in full force and effect on June 17, 1925.