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LFC Recommends \$9.44 Billion Budget

Editors: Volumes I, II and III of the LFC budget recommendation will be posted today on the committee's website, nmlegis.gov/Entity/LFC/Default, on the home page and under Session Publications.

The Legislative Finance Committee today released a budget recommendation for the 2023-2024 fiscal year that calls for spending \$9.44 billion from the state's general fund, a 12 percent, or \$1.04 billion, increase over FY23 planned spending.

"The forecast for FY24 is for a second year of extraordinary income. We did a lot last year and we can do even more," said Representative Patty Lundstrom, committee chairwoman. "It's popular among politicians to talk about transformative change. A true transformation for New Mexico would be taking steps today that change our future. That means investing in programs with demonstrated impact, creating endowments that can generate 'future funding,' and maintaining reserves at levels high enough for us to weather a significant downturn."

Noting New Mexico's dependence on oil and gas activity continues to create risk for the revenue forecast, Senator George Muñoz, vice chairman, emphasized the need to be cautious.

"Oil and gas are always unpredictable and a recession is still a threat," he said. "However, with this level of income, we have the opportunity to set New Mexico up to never have to ride the oil and gas rollercoaster at the same time we maintain strong reserves."

Reserves would be 30 percent of planned spending, safely above the levels that served the state well during the plunge in income at the start of the pandemic and with room for additional recommendation for fund transfers and tax changes.

The recommendation includes \$109 million to expand prekindergarten and \$263 million recurring and \$261 million nonrecurring more for public schools, primarily for a new K-12 Plus factor in the public school funding formula and school-year calendar changes. The plan for public education is a total of \$4.14 billion, or 6.8 percent more than the current year. In addition to extended school time, the recommendation funds increases for services aimed at students identified as at risk for failure, the educator pipeline, reading interventions, and implementation of the Indian, Bilingual Multicultural, and Hispanic education acts.

"It's cliché but funding today's children is funding New Mexico's future," said Representative Gail Armstrong, an LFC member from Magdalena. "This year we have an opportunity to do more than ever to give our kids a strong start."

-more-

General fund appropriations for the Early Childhood Education and Care Department would increase by nearly 72 percent with the additional funding from the constitutional amendment approved by voters in November. In addition to the major expansion of prekindergarten, the spending plan includes \$8 million for Home Visiting parent education and support services for new families. Early childhood services would get an additional \$70 million from the early childhood trust fund for childcare for infants and toddlers and other child services, including behavioral health.

The committee recommendation also includes \$80 million to backfill federal Medicaid spending, which will drop with the official end of the public health emergency, and \$328 million for average pay raises of 5 percent for state and education employees. It contains additional funding to increase the employer contributions to the public employee and educator retirement funds.

Other priorities in the budget include the opportunity scholarship, Medicaid rates for healthcare providers, behavioral healthcare for children, and targeted salary increases for university faculty, judicial agency staffs, child protective services workers, forensic scientists, and public school principals in addition to the 5 percent average salary increase for all public employees. In addition to recurring spending, the committee proposal includes \$1.145 billion spending for special projects, roads, and information technology.

The 60-day legislative session starts January 17.

Recommendations and Highlights

An extraordinary year for state finances is turning into two, with a continuing oil boom and a strong economy contributing to revenue levels in FY24 that will surpass the records set in FY23. New Mexico emerged from the first pandemic year in a strong financial position and with solid reserves in place, allowing the Legislature to invest the FY23 windfall in initiatives intended to improve outcomes for New Mexicans. The 2024 fiscal year looks to be another transformative year. The Legislative Finance Committee recommendation for the FY24 state budget prioritizes investments in early childhood programs with proven success, flexible education initiatives that produce results for New Mexico students, significant Medicaid provider rate increases, behavioral health services for children in state care and, and expansions in the judiciary agencies and realignment of public safety dollars to build on prevention and intervention. Because state agencies continue to struggle with hiring, the recommendation also includes across-the-board salary increases for state and education employees and targeted increases for workers in child welfare, public safety, and other high priority areas.

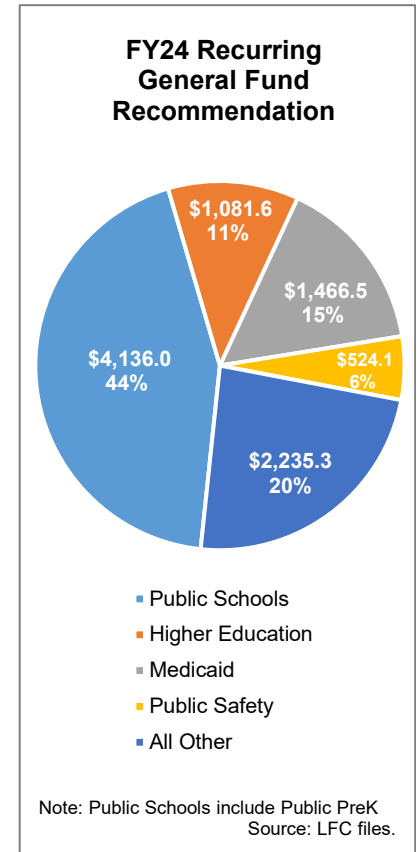
In recognition that New Mexico’s roller-coaster economy continues to rely heavily on the volatile energy industry, the recommendation includes substantial efforts to turn the financial boom of FY24 into long-term returns, with continued efforts to create and grow endowments and establish multi-year appropriations. The recommendation leaves room for tax reform and relief and sets a reserve target of 30 percent, the level that served the state well at the onset of the pandemic.

Budget Development and Priorities

Budget Development

Developing a budget for the next fiscal year is challenging due to enormous strength in revenues in the current and future years and uncertainty due to volatile energy markets. For FY24, recurring general fund revenues are expected to grow to \$11.994 billion. “New money,” or projected recurring revenue for the coming fiscal year less current year recurring appropriations, is estimated at \$3.591 billion for FY24, or 42.7 percent growth from the FY23 operating budget. Recurring revenues for FY22 were \$9.675 billion, up \$1.59 billion, or 19.7 percent, from FY21. In addition, estimated recurring revenues for FY23 are \$10.775 billion, up \$928 million from the August estimate.

Revenue strength is the result of sustained high inflation, raising expectations for gross receipts tax and income tax collections. Additionally, consumer spending has remained strong, wage growth has been robust, and high oil and gas revenues





are supported by global supply-side constraints raising prices and encouraging production expansion. Oil and gas revenue strength is pushing severance tax and federal royalty collections higher than their five-year averages, resulting in larger transfers to the early childhood trust fund than was expected and boosting the amount reaching the general fund.

The December 2022 revenue estimates on reserve levels show ending reserve balances for FY22 are estimated at \$3.68 billion, or 49.3 percent of recurring appropriations; FY23 ending reserve balances are estimated at \$5.22 billion, or 62.2 percent, prior to any legislative action in the 2023 session. These large surpluses allow for another year of unprecedented spending on nonrecurring appropriations and transfers to other funds for future spending.

Priorities

The recommendation provides opportunities for strategic growth in programs aimed at improving outcomes in key priority areas, including public education, health and human services, child welfare, and natural resources. Aside from backfilling temporary federal relief funds for Medicaid, the recommendation provides significant increases for provider rates to shore up the state's health system. In addition to prioritizing performance and outcomes, the committee's approach for budget development recognized agency workload, addressed waiting lists, funded vacant positions, and used other state and federal funding. Priorities for use of one-time funding include major investment transportation projects, economic development, higher education, quality of life and natural resource projects, and investments to leverage new federal funding opportunities. The recommendation also "pre-funds" future years' spending needs through a variety of endowment transfers.

Recommendation

Agencies requested \$9.38 billion from the general fund for recurring spending. The LFC recommendation for FY24 is \$9.44 billion, up \$1.04 billion, or 12 percent, from FY23 appropriations and includes a 5 percent compensation package for public schools, higher education and state agencies. The recommendation also includes \$80 million to backfill Medicaid appropriations not needed in FY23 due to continued enhanced federal funding and \$234 million from a voter-approved increase in the distribution of land grant permanent fund revenue for public school reform and early childhood education.

Early Childhood

Early Childhood Education and Care Department. The LFC recommendation increases general fund appropriations for FY24 by \$140 million, or nearly 72 percent, including \$109.4 million for prekindergarten to expand services, \$8 million for Home Visiting supports for new families, and \$22.6 million to replace federal Temporary Assistance of Needy Families (TANF) funding. The committee recommendation continues federal TANF grant transfer for Childcare Assistance subsidies. The LFC recommendation from the early care and education trust fund includes \$12 million for children's physical and behavioral health support through Medicaid, \$3 million for school-based health centers, and \$1 million for a child abuse and neglect prevention Safe Care unit at the Children, Youth and

Families Department (CYFD). Additionally, the recommendation increases the distribution from the fund to \$100 million in FY24 to support the department’s funding request and increase childcare assistance funding by \$42 million. In total, the FY24 recommendation for ECECD is \$617.5 million, of which \$335.6 million is from the general fund.

Children, Youth and Families Department. The LFC recommendation, a 10 percent increase in general fund, federal Temporary Assistance for Needy Families, and early childhood trust fund revenue, seeks to improve child outcomes by aligning the department’s budget with national child welfare best practices and trends that prioritize evidence-based strategies for maximizing family unity and preventing the use of foster care to when its appropriate, consistent with needed improvements in response to the Kevin S. lawsuit settlement. LFC also supports much of the request in the Protective Services Program for salary adjustments and to fill vacancies. The committee recommendation leverages more federal revenue than requested by the agency by transferring \$12 million from the early childhood trust fund to Medicaid for a \$41.8 million federal match for children’s physical and behavioral health.

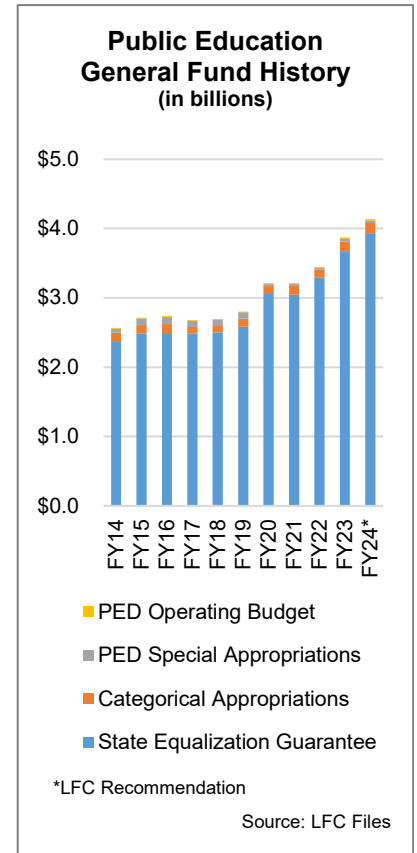
Education

Public Education. The committee’s recommendation for recurring general fund appropriations for public education totals \$4.14 billion, a \$263.3 million, or 6.8 percent, increase from FY23 levels. The recommendation further includes \$261 million in nonrecurring, education-related appropriations from the public education reform fund to address issues highlighted in the Martinez and Yazzie education sufficiency lawsuit.

Most of the public education funding recommendation is attributable to the formula-based state equalization guarantee distribution to school districts and charter schools, which totals \$3.92 billion, a \$247 million or 6.7 percent, increase from the prior year. The state continues to struggle with worsening student achievement from pandemic-related disruptions and court findings in the *Martinez-Yazzie* lawsuit that students lack access to evidence-based interventions, such as extended learning time programs. The committee recommendation expands flexibility for calendar reform and instructional time. The recommendation creates a new K-12 Plus formula factor to help schools build incremental days into the calendar and raises instructional time requirements to 1,140 hours—the equivalent of 190 days of instruction.

To further address findings in the *Martinez-Yazzie* lawsuit relating to quality educators and responsive instruction, the recommendation increases appropriations for at-risk students, school personnel salaries, school leader pay, instructional materials, transportation, educator pipeline initiatives, reading interventions, and implementation of the Indian, Bilingual Multicultural, and Hispanic education acts.

Higher Education. The Legislature recognizes the importance of higher education to the health and prosperity of New Mexicans and prioritized funding increases to higher education institutions despite significant enrollment declines over the past decade. For FY24, the committee recommendation provides a 1 percent increase to the funding formula and an additional 2 percent in nonformula instruction and general funding increases for pension contribution increases, special faculty compensation, and student support services. An additional \$16.7 million is included for research and public service projects, with over half of this



For more info:

[General Fund Recommendation Summary Page 178](#)

amount targeted to healthcare practitioner training and \$6.9 million specifically to backfill nonrecurring appropriations made to expand the number of nursing school students statewide. Due to the large potential cost of the opportunity scholarship, the recommendation adds \$10 million in recurring funding with the balance from a special appropriation. The overall recommendation increases higher education appropriations by \$56.4 million, or 5.5 percent.

The recommendation addresses concerns raised during interim committee hearings. A number of institutions noted the need for enhanced student support services to address student needs for mental health services, academic support, and tailored advisement. The recommendation includes \$2.5 million for these services. Additionally, \$7 million is included to provide additional faculty salary increases. New Mexico two-year faculty are paid 20 percent less than the national average and four-year faculty are 16 percent under the national average. Lastly, LFC recommends including \$7.7 million to pay employer pension contribution increases taking effect in FY24.

Human Services

Human Services Department. LFC recommends \$10.524 billion from all revenue sources, a \$1.35 billion, or 14.7 percent, increase over the FY23 adjusted operating budget, and includes an additional \$269 million from the general fund, an increase of 20 percent. LFC recommends a \$257.5 million increase in general fund support for the state's Medicaid Program in FY24, a 21.7 percent increase over the operating budget. The LFC Medicaid recommendation uses revenue from the general fund to replace federal funds increased during the public health emergency and slated to wind down in FY24 with enrollment projected to slowly decline. In an effort to ensure access to healthcare, LFC recommends \$76.4 million from the general fund and \$7.7 million from the early childhood trust fund for Medicaid and Medicaid behavioral health rate increases for providers, rural hospitals, hospitals, and nursing facilities to bring rates up to 100 percent of Medicare rates or greater.

Behavioral Health. HSD requested and the committee recommends a \$19.9 million general fund increase over FY23 for the Medicaid Behavioral Health Program. LFC also recommends a general fund increase of \$7.1 million and \$498 thousand from the early childhood trust fund to raise provider rates to 120 percent of Medicare rates.

The Behavioral Health Services Program's FY24 budget request was \$89.8 million from all sources, with a general fund request of \$60.7 million, an increase of \$8.2 million, or 15.5 percent, above FY23. LFC recommends \$87.7 million, including increasing general fund support by \$6.1 million, or 11.6 percent. LFC recommends general fund support that includes \$3.8 million for the 988 Crisis Now mobile crisis units in addition to \$1.4 million in a special appropriation, for a total of \$5.2 million. The recommendation also includes \$1.2 million for non-Medicaid-eligible behavioral health provider rate increases, \$140 thousand for the NMConnect app, and an additional \$1 million for the Linkages housing program.

Health

Department of Health. The department's \$393 million FY24 request for general fund revenue was an 11 percent increase above the FY23 operating budget. The request assumed significant decreases in federal revenues in the Epidemiology and



Response Program, resulting in large decreases for others costs and contractual services. The LFC general fund recommendation is \$379 million, an increase of \$25.8 million that includes \$10.2 million for developmental disabilities waiver provider rate increases, \$3.8 million for alcohol misuse and medication assisted treatment, \$2 million for family planning, \$3.5 million for personnel and compensation in state facilities, \$901 thousand for administrative oversight, and \$2.4 million for personnel in the Health Certification, Licensing, and Oversight Program. The LFC recommendation also increases other transfers from the early care and education trust fund of \$3 million in the Public Health Program for school-based health centers contingent on legislation expanding distributions from the fund.

Judiciary

The LFC recommends a general fund increase for judicial branch agencies of \$12 million, or 5.8 percent, compared with the FY23 operating budget. For district courts and the Bernalillo County Metropolitan Court, the recommendation includes a general fund increase of \$11.6 million, or 7.7 percent, compared with the FY23 operating budget. The recommendation includes \$1.5 million for 8 percent additional salary increases for judges to increase recruiting competitiveness and \$1.7 million for other targeted compensation increases to reduce vacancies where staff turnover is particularly costly. Both staff and judge compensation increases are in addition to statewide compensation increases. The recommendation also includes \$1.6 million to centralize judicial training within the Administrative Office of the Courts and to increase the training budget by 128 percent.

LFC recommends a general fund increase for statewide district attorneys of \$4.9 million, or 5.4 percent, over the FY23 operating budgets. The recommendation includes a 2 percent targeted salary increase for all attorneys and staff and an average 3.6 percent base budget increase, which fully funds 10 statewide positions where federal funds are lapsing with general fund revenue. The LFC recommends a general fund increase for the public defender department of \$4.3 million, or 6.9 percent, over the FY23 operating budget. The recommendation includes a 2 percent additional targeted salary increase for all attorneys and staff and a \$1.9 million increase for contract attorney compensation increases. The recommendation also includes \$748 thousand to expand core staff by four and increase attorneys by four, both of which are recommended to begin implementing recommendations of the department's 2022 workload study.

Public Safety

Department of Public Safety. The committee recommends \$194.5 million in total revenue for the Department of Public Safety, a \$14.5 million, or 8 percent, increase compared with its FY23 operating budget. The committee's recommendation for general fund revenue of \$159.2 million represents a \$9.1 million, or 6 percent, increase. The recommendation includes \$2.1 million for state police officer pay and \$1.8 million for targeted compensation increases for other key positions, including substantial increases for emergency dispatchers. The LFC recommendation also provides \$2.3 million and 18 FTE to support the new entities responsible for law enforcement training and oversight, the Law Enforcement Standards and Training Council and the Law Enforcement Certification Board.

Corrections Department. The department (NMCD) recommendation is \$371.1 million, an increase of \$5.3 million, or 1.5 percent, compared with its FY23

operating budget. The entirety of the increase is from the general fund, for a total general fund recommendation of \$340.7 million, 1.6 percent higher than FY23. The recommendation recognizes chronically vacant correctional officer positions are not necessary in light of substantial reductions in inmate population by reducing the agency's authorized correctional officer positions and redistributing vacancy savings elsewhere in the budget. Along with reallocated vacancy savings, the committee recommendation provides an additional \$3.1 million from the general fund and funds raises for correctional officers, increases in evidence- and research-based recidivism reduction programming, and supportive housing for released offenders.

Criminal Justice Reform. The committee's recommendations for NMCD and DPS support initiatives aimed at achieving criminal justice reform through recidivism reduction and police officer training and accountability. In addition to funding additional reentry programming, the recommendation also provides \$500 thousand to expand supportive housing initiatives for offenders reentering the community. Within DPS, the committee's recommendation supports initiatives undertaken during the 2022 legislative session to reform the systems of police training and oversight, including providing a \$2.1 million budget for the new Law Enforcement Certification Board. Policy changes, such as reducing incarceration for nonviolent crimes and limiting the circumstances under which an offender's parole may be revoked, could significantly reduce recidivism as well as costs.

Compensation

State agencies report continued difficulty in attracting and retaining a highly qualified public workforce. The LFC recommendation includes a total of \$328.2 million in general fund revenue for public employee compensation, sufficient for an average 5 percent increase in employee pay. This amount includes \$217 million for public schools, \$57.1 million for state agencies, and \$54.2 million for higher education institutions. In addition to these amounts, many agency recommendations include additional funding for targeted pay increases, particularly in public safety, child welfare, and other high-priority areas.

The recommendation includes funding to cover the employer share of a 10 percent medical insurance premium increase for employees covered under the General Services Department to address the funding shortfall in that program. For FY22, premium revenue fell short of expenses by \$72.8 million, necessitating a large increase after years of rates that failed to keep up with medical costs. In addition to revenue increase, the department will need to consider cost-containment strategies to ensure the program is sustainable into the future.

Pensions. Recent legislative reforms to the state pension systems have significantly improved the sustainability of the funds, even with the challenging market environment faced by fund investment managers. Legislation passed in previous sessions will increase employer contribution rates for both the Educational Retirement Board and the Public Employees Retirement Association. The LFC recommendation includes funding for public schools and higher education institutions to make larger contributions to the fund, and contribution rate increases for state agencies were included in agency operating budgets.

Roads

The New Mexico Department of Transportation (NMDOT), mainly funded with state road fund revenues for highway maintenance and federal funds for road

construction, has faced budget pressures for years as federal revenue stagnated and road fund growth did not keep pace with cost increases. Some of these pressures have been alleviated by passage of the federal Infrastructure Investment and Jobs Act, which increased federal formula funding available to NMDOT by \$100 million, but inflation-related cost increases have caused road projects to balloon in cost, with some projects nearly doubling. The LFC recommendation includes the additional federal formula funding, as well as additional road fund balance to match the newly available federal funds. The additional funding will be directed to roadway improvements of the existing transportation network. The recommendation also includes \$197 million in general fund revenue for special transportation appropriations for NMDOT to make major investments in the state’s transportation network.

For more info:

[Table of Special, Supplemental, Deficiency, and IT Recommendations, and Fund Transfers](#)
Page 185

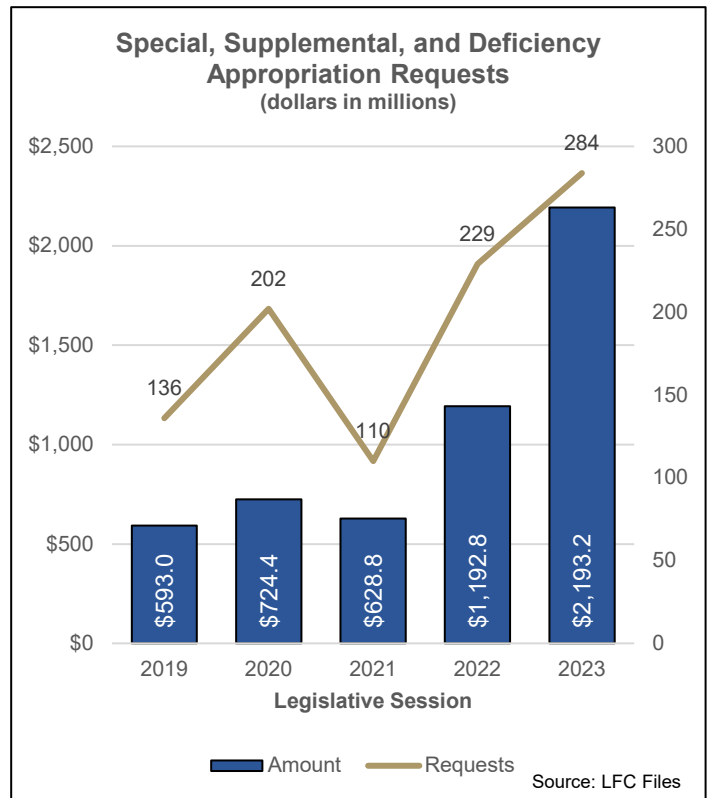
Deficiency, Special, and Supplemental Appropriations

During the interim, the committee created several subcommittees and working groups to consider state agency needs and prioritize investments into programs to improve agency performance. Recommendations of these subcommittees and working groups were the criteria in building the LFC recommendation for special, supplemental, and deficiency appropriations. The recommendation prioritizes requests for one-time expenses or pilots and provides increased scrutiny of requests for recurring costs and unspent amounts for requested extensions in time to spend appropriations.

The recommendation for special, supplemental, and deficiency appropriations totals \$1.145 billion, of which \$922 million is from the general fund. Several large special appropriation recommendations are contingent on legislation setting up new endowment funds to provide sustainable funding into the future. Other investments include \$139.5 million for water and natural resources programs, \$15 million to create a new central infrastructure office to improve the state’s capital outlay process, \$40 million for local government recreation centers, \$50 million for tribal projects, and \$65.5 million for broadband and cybersecurity programs. Although higher education institutions have typically not requested direct special appropriations, institutions made a large number of requests for FY24.

The recommendation includes investments in New Mexico’s workforce, with \$6 million to create judicial clerkships and build capacity for district attorneys and public defenders, \$20 million to support those seeking graduate degrees in social work, \$10 million for graduate-level nursing programs at higher education institutions, \$5 million to support graduate-level science, technology, engineering, math, and healthcare degrees, and \$60 million for the opportunity scholarship program.

The recommendation also includes \$96 million in supplemental and deficiency appropriations to the



General Services Department for shortfalls in employee benefits funds, contingent on matching funds from local governments and higher education institutions that participate in these benefits programs.

Fund Transfers and Reserves. The recommendation also contains fund transfers intended for future spending, including \$1 billion to the severance tax permanent fund, which has had greatly diminished revenue because funding has been diverted to invest in public school capital outlay over the past 20 years. Other fund transfers include \$72 million to the tobacco settlement permanent fund intended to boost future year spending on a range of tobacco cessation and other services. Further, the recommendation includes a set aside of \$300 million for the full Legislature to consider other permanent fund options, either new or existing, to turn “today’s dollars into tomorrow’s dollars,” in recognition the extraordinary growth in revenue is due to nonrecurring extractive industries and future revenue streams will need to be more diverse. The recommendation also sets aside another \$500 million for additional permanent funds or other spending items. To clarify the state’s balance sheet, the recommendation moves the tobacco funds out of general fund reserves because accounting for the funds in the reserve artificially inflates the safety net used during an economic downturn or volatility in energy revenue.

Information Technology. The LFC recommendation for IT funding totals \$183.9 million from all funding sources for 25 projects. The recommendation includes \$63.6 million in general fund revenues, \$39.3 million in other state funds (which includes \$3 million in other transfers from the Human Services Department to the Children, Youth and Families Department), and \$81.1 million in federal funds. Included in the recommendation is \$7.4 million in general fund revenues for the Human Services Department to continue the Medicaid management information system replacement project, with an associated federal funding match of \$67.5 million pending federal approval; \$18 million for the Children, Youth and Families Department’s comprehensive child welfare project, with an associated federal match of \$11 million; and \$13 million for the Department of Public Safety to implement a Criminal Justice Information System modernization.

In addition to new requested funding amounts, a total of 12 agencies submitted 38 requests to reauthorize prior-year appropriations through FY24. Originally, those appropriations totaled \$283.4 million and reported balances requested to be reauthorized total \$146.4 million, or roughly 52 percent.

Tax Changes

The recommendation sets aside \$1 billion for changes to the tax code. Potential options studied during the interim included reductions to the gross receipts tax rate, which has been shown to inhibit business growth, and smoothing out personal income tax brackets for middle-income earners.

Capital Outlay and Infrastructure

Capital outlay requests from state agencies, judicial entities, higher education institutions, and special schools totaled more than \$1 billion. Funding for capital infrastructure presents two key challenges: \$3.5 billion in unspent appropriations for 4,100 projects and challenges to project funding and timelines driven by construction inflation and supply constraints.

The LFC capital outlay framework for consideration by the full Legislature includes approximately \$399.2 million authorized from the general fund and \$138.6 million from other state funds. Given the state's strong financial position, the recommendation does not assume issuing more debt, except for the normal earmarks of severance tax bonds.

Major state agency projects in the framework include \$68 million for a new forensics unit at the Behavioral Health Institute in Las Vegas, \$26 million for public safety radio communication infrastructure statewide, \$30 million to the Office of the State Engineer to promote settlement of Texas v. New Mexico and to support aquifer recovery on the Lower Rio Grande, and \$10 million for the MainStreet capital outlay fund administered by the Economic Development Department. The general fund framework also includes \$26 million for statewide senior center projects and emergency needs and \$78.7 million for higher education projects, including \$27.3 million in supplementary funding for previously funded higher education projects experiencing cost escalations. The largest of those projects is the new Trades and Applied Technologies building at Central New Mexico Community College.

Evidence- and Research Based Funding Requests Act

In 2019, Chapter 23, Section 4, (Senate Bill 58) was enacted to amend the Accountability in Government Act to bring more information on funding of programs with rigorous evidence of effectiveness into the state's performance-based budgeting process. As a result of the law, state statute now also provides definitions of evidence-based, research-based, and promising programs. For the FY24 budget-making process, LFC and the Department of Finance and Administration designated four programs across three agencies to collect and report on initiatives being implemented to assess to what degree programs are using evidence-based approaches. Some agencies have shifted to using programs that work, such as the Corrections Department requiring contractors to only use evidence-based programming for behavioral health services. According to the department, currently all programmatic funding for Community Offender Management and Reentry and Inmate Management and Control divisions within the Corrections Department goes to programs that are evidence- or research-based. IN FY23, the Children, Youth and Families Department eliminated its Youth Support Services program, which was not evidence-based, in part due to the program inventory process. BHSD is also strengthening their tracking of use of evidenced-based programming from contractors for services such as psychotherapy.

In addition to evidence-based programming identified through program inventories, the LFC recommendation includes significant expansion of evidence-based programming. The LFC recommendation includes over \$200 million in FY24 potential expansion funds to invest in evidence-based and promising interventions. This includes \$110 million to expand instructional time at in K-12 education; and over \$100 million to expand prekindergarten for 3- and 4-year-olds (which has been found to have a \$6 to \$1 return on investment by LFC research). The LFC recommendation also includes continued funding for existing evidenced-based and promising programs, including home-visiting services to new families, recidivism reduction, and pathways to respond to child maltreatment.

Table 1: General Fund Agency Recommendation Summary



HB2 - FY24 General Fund Appropriations Summary by Agency (In thousands)

AGENCY	FY23 General Fund Adj. OpBud	FY24 Total General Fund Request	FY24 Total General Fund Growth	FY24 General Fund Increase %	FY24 LFC Rec	FY24 LFC Rec Over/(Under) FY22 OpBud	FY24 LFC Rec Increase %
FEED BILL:							
11100 Legislative Council Service	\$ 7,771.9	\$ 8,548.8	\$ 776.9	10.0%	\$ 8,548.8	\$ 776.9	10.0%
11200 Legislative Finance Committee	\$ 5,089.4	\$ 5,443.9	\$ 354.5	7.0%	\$ 5,598.3	\$ 508.9	10.0%
11400 Senate Chief Clerk	\$ 1,973.9	\$ 2,486.5	\$ 512.6	26.0%	\$ 2,486.5	\$ 512.6	26.0%
11500 House Chief Clerk	\$ 1,901.3	\$ 2,408.9	\$ 507.6	26.7%	\$ 2,408.9	\$ 507.6	26.7%
11700 Legislative Education Study Committee	\$ 1,525.4	\$ 1,725.0	\$ 199.6	13.1%	\$ 1,725.0	\$ 199.6	13.1%
11900 Legislative Building Services	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
13100 Legislature	\$ 2,103.0	\$ 3,185.3	\$ 1,082.3	51.5%	\$ 3,185.3	\$ 1,082.3	51.5%
LEGISLATIVE:	\$ 20,364.9	\$ 23,798.4	\$ 3,433.5	17%	\$ 23,952.8	\$ 3,587.9	17.6%
GENERAL APPROPRIATIONS ACT:							
11100 Legislative Council Service	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
11100 Energy Council Dues	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
11200 Legislative Finance Committee	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
11400 Senate Chief Clerk	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
11500 House Chief Clerk	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
11700 Legislative Education Study Committee	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
11900 Legislative Building Services	\$ 4,733.5	\$ 5,064.3	\$ 330.8	7.0%	\$ 5,064.3	\$ 330.8	7.0%
13100 Legislature	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
LEGISLATIVE:	\$ 4,733.5	\$ 5,064.3	\$ 330.8	7.0%	\$ 5,064.3	\$ 330.8	7.0%
20800 New Mexico Compilation Commission	\$ 529.9	\$ 529.9	\$ -	0.0%	\$ 429.9	\$ (100.0)	-18.9%
21000 Judicial Standards Commission	\$ 979.4	\$ 1,061.0	\$ 81.6	8.3%	\$ 991.9	\$ 12.5	1.3%
21500 Court of Appeals	\$ 7,515.3	\$ 8,121.5	\$ 606.2	8.1%	\$ 7,901.1	\$ 385.8	5.1%
21600 Supreme Court	\$ 7,418.2	\$ 7,613.2	\$ 195.0	2.6%	\$ 7,613.2	\$ 195.0	2.6%
21800 Administrative Office of the Courts	\$ 41,712.4	\$ 44,130.5	\$ 2,418.1	5.8%	\$ 41,266.8	\$ (445.6)	-1.1%
21900 Supreme Court Building Commission	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
23100 First Judicial District Court	\$ 11,905.5	\$ 12,343.7	\$ 438.2	3.7%	\$ 12,426.0	\$ 520.5	4.4%
23200 Second Judicial District Court	\$ 29,463.8	\$ 31,215.5	\$ 1,751.7	5.9%	\$ 31,314.8	\$ 1,851.0	6.3%
23300 Third Judicial District Court	\$ 11,309.0	\$ 12,340.3	\$ 1,031.3	9.1%	\$ 12,639.0	\$ 1,330.0	11.8%
23400 Fourth Judicial District Court	\$ 4,398.4	\$ 4,839.2	\$ 440.8	10.0%	\$ 5,071.3	\$ 672.9	15.3%
23500 Fifth Judicial District Court	\$ 12,052.7	\$ 12,528.3	\$ 475.6	3.9%	\$ 12,694.9	\$ 642.2	5.3%
23600 Sixth Judicial District Court	\$ 6,105.4	\$ 6,618.7	\$ 513.3	8.4%	\$ 6,869.7	\$ 764.3	12.5%
23700 Seventh Judicial District Court	\$ 4,448.6	\$ 4,790.8	\$ 342.2	7.7%	\$ 4,678.3	\$ 229.7	5.2%
23800 Eighth Judicial District Court	\$ 5,376.3	\$ 5,937.9	\$ 561.6	10.4%	\$ 5,870.5	\$ 494.2	9.2%
23900 Ninth Judicial District Court	\$ 5,723.3	\$ 6,234.6	\$ 511.3	8.9%	\$ 6,206.7	\$ 483.4	8.4%
24000 Tenth Judicial District Court	\$ 2,015.3	\$ 2,182.4	\$ 167.1	8.3%	\$ 2,172.6	\$ 157.3	7.8%
24100 Eleventh Judicial District Court	\$ 12,180.2	\$ 13,193.1	\$ 1,012.9	8.3%	\$ 13,278.4	\$ 1,098.2	9.0%
24200 Twelfth Judicial District Court	\$ 5,815.1	\$ 6,309.4	\$ 494.3	8.5%	\$ 6,356.1	\$ 541.0	9.3%
24300 Thirteenth Judicial District Court	\$ 12,261.7	\$ 13,633.0	\$ 1,371.3	11.2%	\$ 13,706.3	\$ 1,444.6	11.8%
24400 Bernalillo County Metropolitan Court	\$ 27,476.7	\$ 28,446.4	\$ 969.7	3.5%	\$ 28,827.0	\$ 1,350.3	4.9%
25100 First Judicial District Attorney	\$ 7,319.8	\$ 8,198.3	\$ 878.5	12.0%	\$ 8,095.5	\$ 775.7	10.6%
25200 Second Judicial District Attorney	\$ 27,510.7	\$ 27,825.5	\$ 314.8	1.1%	\$ 28,302.2	\$ 791.5	2.9%
25300 Third Judicial District Attorney	\$ 6,006.6	\$ 6,702.3	\$ 701.7	11.7%	\$ 6,446.2	\$ 445.6	7.4%
25400 Fourth Judicial District Attorney	\$ 4,016.3	\$ 4,457.8	\$ 441.5	11.0%	\$ 4,311.2	\$ 294.9	7.3%
25500 Fifth Judicial District Attorney	\$ 7,003.6	\$ 6,881.8	\$ (121.8)	-1.7%	\$ 6,981.2	\$ (22.4)	-0.3%
25600 Sixth Judicial District Attorney	\$ 3,751.1	\$ 3,759.9	\$ 8.8	0.2%	\$ 3,833.8	\$ 82.7	2.2%
25700 Seventh Judicial District Attorney	\$ 3,241.3	\$ 3,427.9	\$ 186.6	5.8%	\$ 3,498.9	\$ 257.6	7.9%
25800 Eighth Judicial District Attorney	\$ 3,603.4	\$ 3,956.8	\$ 353.4	9.8%	\$ 4,030.5	\$ 427.1	11.9%
25900 Ninth Judicial District Attorney	\$ 4,073.1	\$ 4,095.8	\$ 22.7	0.6%	\$ 4,149.7	\$ 76.6	1.9%
26000 Tenth Judicial District Attorney	\$ 1,791.9	\$ 1,941.2	\$ 149.3	8.3%	\$ 1,985.4	\$ 193.5	10.8%
26100 Eleventh Judicial District Attorney, Div I	\$ 6,025.0	\$ 6,936.6	\$ 911.6	15.1%	\$ 6,343.8	\$ 318.8	5.3%
26200 Twelfth Judicial District Attorney	\$ 4,253.6	\$ 5,204.3	\$ 950.7	22.4%	\$ 4,562.1	\$ 308.5	7.3%
26300 Thirteenth Judicial District Attorney	\$ 7,033.0	\$ 8,229.7	\$ 1,196.7	17.0%	\$ 7,938.2	\$ 905.2	12.9%
26400 Administrative Office of the District Attorneys	\$ 2,892.2	\$ 3,635.3	\$ 743.1	25.7%	\$ 3,195.5	\$ 303.3	10.5%
26500 Eleventh Judicial District Attorney, Division II	\$ 3,192.5	\$ 3,494.9	\$ 302.4	9.5%	\$ 3,193.2	\$ 0.7	0.0%
28000 New Mexico Public Defender Department	\$ 63,147.4	\$ 76,326.5	\$ 13,179.1	20.9%	\$ 67,509.4	\$ 4,362.0	6.9%
JUDICIAL:	\$ 363,542.7	\$ 397,144.0	\$ 33,601.3	9.2%	\$ 384,691.3	\$ 21,148.6	5.8%
30500 Attorney General	\$ 15,148.5	\$ 52,572.9	\$ 37,424.4	247.1%	\$ 15,971.5	\$ 823.0	5.4%
30800 State Auditor	\$ 3,704.7	\$ 4,015.7	\$ 311.0	8.4%	\$ 3,897.7	\$ 193.0	5.2%
33300 Taxation and Revenue Department	\$ 72,664.7	\$ 75,704.7	\$ 3,040.0	4.2%	\$ 75,704.7	\$ 3,040.0	4.2%
33700 State Investment Council	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
34000 Administrative Hearings Office	\$ 1,963.3	\$ 2,310.6	\$ 347.3	17.7%	\$ 2,041.8	\$ 78.5	4.0%
34100 Department of Finance and Administration	\$ 20,188.9	\$ 36,513.5	\$ 16,324.6	80.9%	\$ 21,563.8	\$ 1,374.9	6.8%
34200 Public School Insurance Authority	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
34300 Retiree Health Care Authority	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
34400 DFA Special Appropriations	\$ 8,366.6	\$ 8,761.7	\$ 395.1	4.7%	\$ 8,426.6	\$ 60.0	0.7%
35000 General Services Department	\$ 18,700.6	\$ 23,816.8	\$ 5,116.2	27.4%	\$ 19,448.6	\$ 748.0	4.0%
35200 Educational Retirement Board	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
35400 New Mexico Sentencing Commission	\$ 1,388.6	\$ 3,388.6	\$ 2,000.0	144.0%	\$ 1,438.6	\$ 50.0	3.6%
35600 Governor	\$ 5,434.0	\$ 5,494.2	\$ 60.2	1.1%	\$ 5,494.2	\$ 60.2	1.1%
36000 Lieutenant Governor	\$ 615.4	\$ 639.1	\$ 23.7	3.9%	\$ 639.1	\$ 23.7	3.9%
36100 Department of Information Technology	\$ 2,466.8	\$ 7,966.8	\$ 5,500.0	223.0%	\$ 7,966.8	\$ 5,500.0	223.0%
36600 Public Employees Retirement Association	\$ 52.8	\$ 58.5	\$ 5.7	10.8%	\$ 52.8	\$ -	0.0%
36900 State Commission of Public Records	\$ 2,768.5	\$ 2,827.4	\$ 58.9	2.1%	\$ 2,991.9	\$ 223.4	8.1%
37000 Secretary of State	\$ 14,504.8	\$ 19,198.9	\$ 4,694.1	32.4%	\$ 15,302.7	\$ 797.9	5.5%
37800 Personnel Board	\$ 4,109.7	\$ 4,117.6	\$ 7.9	0.2%	\$ 4,117.6	\$ 7.9	0.2%
37900 Public Employee Labor Relations Board	\$ 267.5	\$ 306.7	\$ 39.2	14.7%	\$ 276.4	\$ 8.9	3.3%
39400 State Treasurer	\$ 4,197.3	\$ 4,950.0	\$ 752.7	17.9%	\$ 4,297.3	\$ 100.0	2.4%
GENERAL CONTROL	\$ 176,542.7	\$ 252,643.7	\$ 76,101.0	43.1%	\$ 189,632.1	\$ 13,089.4	7.4%
40400 Board of Examiners for Architects	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
41000 Ethics Commission	\$ 1,236.3	\$ 1,460.2	\$ 223.9	18.1%	\$ 1,420.7	\$ 184.4	14.9%

General Fund Agency Recommendation Summary



HB2 - FY24 General Fund Appropriations Summary by Agency (In thousands)

AGENCY	FY23 General Fund Adj. OpBud	FY24 Total General Fund Request	FY24 Total General Fund Growth	FY24 General Fund Increase %	FY24 LFC Rec	FY24 LFC Rec Over/(Under) FY22 OpBud	FY24 LFC Rec Increase %
41700 Border Authority	\$ 468.9	\$ 468.9	\$ -	0.0%	\$ 468.9	\$ -	0.0%
41800 Tourism Department	\$ 20,013.4	\$ 28,291.5	\$ 8,278.1	41.4%	\$ 21,956.3	\$ 1,942.9	9.7%
41900 Economic Development Department	\$ 17,545.2	\$ 27,122.7	\$ 9,577.5	54.6%	\$ 18,711.7	\$ 1,166.5	6.6%
42000 Regulation and Licensing Department	\$ 16,646.7	\$ 17,406.7	\$ 760.0	4.6%	\$ 18,057.5	\$ 1,410.8	8.5%
43000 Public Regulation Commission	\$ 11,100.0	\$ 12,208.3	\$ 1,108.3	10.0%	\$ 11,780.3	\$ 680.3	6.1%
44000 Office Superintendent of Insurance	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
44600 Medical Board	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
44900 Board of Nursing	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
46000 New Mexico State Fair	\$ 200.0	\$ 200.0	\$ -	0.0%	\$ 375.0	\$ 175.0	87.5%
46400 State Bd of Lic for Engin & Land Surveyors	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
46500 Gaming Control Board	\$ 6,105.9	\$ 6,899.2	\$ 793.3	13.0%	\$ 6,411.2	\$ 305.3	5.0%
46900 State Racing Commission	\$ 2,590.9	\$ 2,813.4	\$ 222.5	8.6%	\$ 2,669.0	\$ 78.1	3.0%
47900 Board of Veterinary Medicine	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
49000 Cumbres and Toltec Scenic Railroad Comm	\$ 362.8	\$ 362.8	\$ -	0.0%	\$ 362.8	\$ -	0.0%
49100 Office of Military Base Planning and Support	\$ 296.2	\$ 296.2	\$ -	0.0%	\$ 296.2	\$ -	0.0%
49500 Spaceport Authority	\$ 3,878.4	\$ 4,098.4	\$ 220.0	5.7%	\$ 4,088.4	\$ 210.0	5.4%
COMMERCE & INDUSTRY	\$ 80,444.7	\$ 101,628.3	\$ 21,183.6	26%	\$ 86,598.0	\$ 6,153.3	7.6%
50500 Cultural Affairs Department	\$ 37,967.8	\$ 41,059.4	\$ 3,091.6	8.1%	\$ 39,093.0	\$ 1,125.2	3.0%
50800 New Mexico Livestock Board	\$ 3,587.5	\$ 5,218.2	\$ 1,630.7	45.5%	\$ 4,391.8	\$ 804.3	22.4%
51600 Department of Game and Fish	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
52100 Energy, Minerals and Natural Resources Depart.	\$ 29,358.5	\$ 40,179.7	\$ 10,821.2	36.9%	\$ 32,352.9	\$ 2,994.4	10.2%
52200 Youth Conservation Corps	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
53800 Intertribal Ceremonial Office	\$ 328.1	\$ -	\$ (328.1)	-100.0%	\$ 328.1	\$ -	0.0%
53900 Commissioner of Public Lands	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
55000 State Engineer	\$ 26,959.7	\$ 30,209.7	\$ 3,250.0	12.1%	\$ 28,744.7	\$ 1,785.0	6.6%
AGRICULTURE, ENERGY, & NATURAL RESOURCES:	\$ 98,201.6	\$ 116,667.0	\$ 18,465.4	18.8%	\$ 104,910.5	\$ 6,708.9	6.8%
60100 Commission on the Status of Women	\$ -	\$ 850.0	\$ 850.0	-	\$ 295.0	\$ 295.0	-
60300 Office of African American Affairs	\$ 1,041.3	\$ 1,041.3	\$ -	0.0%	\$ 1,041.3	\$ -	0.0%
60400 Comm for Deaf and Hard-of-Hearing Persons	\$ 1,286.2	\$ 1,831.3	\$ 545.1	42.4%	\$ 1,326.2	\$ 40.0	3.1%
60500 Martin Luther King, Jr. Commission	\$ 339.7	\$ 630.4	\$ 290.7	85.6%	\$ 356.7	\$ 17.0	5.0%
60600 Commission for the Blind	\$ 2,435.9	\$ 2,435.9	\$ -	0.0%	\$ 2,435.9	\$ -	0.0%
60900 Indian Affairs Department	\$ 4,262.5	\$ 4,462.5	\$ 200.0	4.7%	\$ 4,362.5	\$ 100.0	2.3%
61100 Early Childhood Education and Care Department	\$ 195,612.4	\$ 205,963.7	\$ 10,351.3	5.3%	\$ 335,612.4	\$ 140,000.0	71.6%
62400 Aging and Long-Term Services Department	\$ 52,631.0	\$ 78,953.3	\$ 26,322.3	50.0%	\$ 58,491.0	\$ 5,860.0	11.1%
63000 Human Services Department	\$ 1,347,518.4	\$ 1,600,125.3	\$ 252,606.9	18.7%	\$ 1,616,538.0	\$ 269,019.6	20.0%
63100 Workforce Solutions Department	\$ 10,482.1	\$ 14,408.8	\$ 3,926.7	37.5%	\$ 10,849.0	\$ 366.9	3.5%
63200 Workers' Compensation Administration	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
64400 Division of Vocational Rehabilitation	\$ 6,467.7	\$ 6,608.2	\$ 140.5	2.2%	\$ 6,608.2	\$ 140.5	2.2%
64500 Governor's Commission on Disability	\$ 1,439.5	\$ 1,573.4	\$ 133.9	9.3%	\$ 1,459.7	\$ 20.2	1.4%
64700 Developmental Disabilities Planning Council	\$ 7,641.2	\$ 9,530.2	\$ 1,889.0	24.7%	\$ 8,012.0	\$ 370.8	4.9%
66200 Miners' Hospital of New Mexico	\$ 15.2	\$ -	\$ (15.2)	-100.0%	\$ -	\$ (15.2)	-100.0%
66500 Department of Health	\$ 353,222.3	\$ 391,500.2	\$ 38,277.9	10.8%	\$ 379,016.8	\$ 25,794.5	7.3%
66700 Department of Environment	\$ 20,279.5	\$ 23,678.8	\$ 3,399.3	16.8%	\$ 22,309.2	\$ 2,029.7	10.0%
66800 Office of the Natural Resources Trustee	\$ 665.3	\$ 665.3	\$ -	0.0%	\$ 665.3	\$ -	0.0%
67000 Veterans' Services Department	\$ 6,150.1	\$ 7,577.9	\$ 1,427.8	23.2%	\$ 6,421.3	\$ 271.2	4.4%
68000 Office of Family Representation and Advocacy	\$ -	\$ 13,589.0	\$ 13,589.0	-	\$ 6,530.0	\$ 6,530.0	13.7%
69000 Children, Youth and Families Department	\$ 239,901.7	\$ 273,674.2	\$ 33,772.5	14.1%	\$ 247,302.2	\$ 7,400.5	3.1%
HEALTH, HOSPITALS, & HUMAN SERVICES:	\$ 2,251,392.0	\$ 2,638,251.7	\$ 386,859.7	17.2%	\$ 2,709,337.7	\$ 457,945.7	20.3%
70500 Department of Military Affairs	\$ 7,844.3	\$ 10,277.5	\$ 2,433.2	31.0%	\$ 8,872.2	\$ 1,027.9	13.1%
76000 Parole Board	\$ 641.0	\$ 725.1	\$ 84.1	13.1%	\$ 725.1	\$ 84.1	13.1%
76500 Juvenile Parole Board	\$ 7.6	\$ 7.6	\$ -	0.0%	\$ 7.6	\$ -	0.0%
77000 Corrections Department	\$ 335,400.7	\$ 337,615.1	\$ 2,214.4	0.7%	\$ 340,728.6	\$ 5,327.9	1.6%
78000 Crime Victims Reparation Commission	\$ 9,881.6	\$ 12,881.6	\$ 3,000.0	30.4%	\$ 11,072.3	\$ 1,190.7	12.0%
79000 Department of Public Safety	\$ 150,160.7	\$ 163,146.5	\$ 12,985.8	8.6%	\$ 159,245.3	\$ 9,084.6	6.0%
79500 Homeland Security and Emergency Mgmt	\$ 3,444.9	\$ 3,444.9	\$ -	0.0%	\$ 3,444.9	\$ -	0.0%
PUBLIC SAFETY:	\$ 507,380.8	\$ 528,098.3	\$ 20,717.5	4.1%	\$ 524,096.0	\$ 16,715.2	3.3%
80500 Department of Transportation	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
TRANSPORTATION:	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
92400 Public Education Department	\$ 20,869.0	\$ 24,344.0	\$ 3,475.0	16.7%	\$ 22,589.0	\$ 1,720.0	8.2%
92500 Public Education Dept.-Special Approps	\$ 37,710.0	\$ 46,446.6	\$ 8,736.6	23.2%	\$ 34,596.6	\$ (3,113.4)	-8.3%
93000 Regional Education Cooperatives	\$ 1,100.0	\$ 1,100.0	\$ -	0.0%	\$ 1,350.0	\$ 250.0	22.7%
94000 Public School Facilities Authority	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
OTHER EDUCATION:	\$ 59,679.0	\$ 71,890.6	\$ 12,211.6	20.5%	\$ 58,535.6	\$ (1,143.4)	-1.9%
95000 Higher Education Department	\$ 47,556.2	\$ 152,781.8	\$ 105,225.6	221.3%	\$ 60,789.7	\$ 13,233.5	27.8%
95200 University of New Mexico	\$ 389,129.2	\$ 417,553.2	\$ 28,424.0	7.3%	\$ 405,971.1	\$ 16,841.9	4.3%
95400 New Mexico State University	\$ 241,746.6	\$ 257,876.7	\$ 16,130.1	6.7%	\$ 251,798.5	\$ 10,051.9	4.2%
95600 New Mexico Highlands University	\$ 38,039.5	\$ 39,909.5	\$ 1,870.0	4.9%	\$ 39,309.5	\$ 1,270.0	3.3%
95800 Western New Mexico University	\$ 27,667.1	\$ 30,704.9	\$ 3,037.8	11.0%	\$ 29,876.2	\$ 2,211.1	8.0%
96000 Eastern New Mexico University	\$ 57,982.7	\$ 61,063.4	\$ 3,080.7	5.3%	\$ 60,116.0	\$ 2,133.3	3.7%
96200 NM Institute of Mining and Technology	\$ 45,887.0	\$ 49,420.4	\$ 3,533.4	7.7%	\$ 47,492.7	\$ 1,605.7	3.5%
96400 Northern New Mexico College	\$ 13,044.6	\$ 14,183.2	\$ 1,138.6	8.7%	\$ 14,118.4	\$ 1,073.8	8.2%
96600 Santa Fe Community College	\$ 17,162.5	\$ 18,261.5	\$ 1,099.0	6.4%	\$ 17,769.8	\$ 607.3	3.5%
96800 Central New Mexico Community College	\$ 69,554.5	\$ 74,725.6	\$ 5,171.1	7.4%	\$ 72,873.1	\$ 3,318.6	4.8%
97000 Luna Community College	\$ 8,901.8	\$ 9,296.0	\$ 394.2	4.4%	\$ 9,145.1	\$ 243.3	2.7%
97200 Mesalands Community College	\$ 4,887.9	\$ 5,514.7	\$ 626.8	12.8%	\$ 5,004.9	\$ 117.0	2.4%
97400 New Mexico Junior College	\$ 7,805.4	\$ 10,022.8	\$ 2,217.4	28.4%	\$ 8,347.6	\$ 542.2	6.9%
97500 Southeast New Mexico College	\$ 4,992.7	\$ 5,456.8	\$ 464.1	9.3%	\$ 5,426.6	\$ 433.9	8.7%
97600 San Juan College	\$ 28,428.0	\$ 30,748.6	\$ 2,320.6	8.2%	\$ 30,249.7	\$ 1,821.7	6.4%

General Fund Agency Recommendation Summary



HB2 - FY24 General Fund Appropriations Summary by Agency (In thousands)

AGENCY	FY23 General Fund Adj. OpBud	FY24 Total General Fund Request	FY24 Total General Fund Growth	FY24 General Fund Increase %	FY24 LFC Rec	FY24 LFC Rec Over/(Under) FY22 OpBud	FY24 LFC Rec Increase %
97700 Clovis Community College	\$ 11,708.9	\$ 12,121.1	\$ 412.2	3.5%	\$ 11,989.9	\$ 281.0	2.4%
97800 New Mexico Military Institute	\$ 4,109.8	\$ 4,286.2	\$ 176.4	4.3%	\$ 4,286.2	\$ 176.4	4.3%
97900 NM School for the Blind and Visually Impaired	\$ 1,954.1	\$ 2,159.4	\$ 205.3	10.5%	\$ 2,152.7	\$ 198.6	10.2%
98000 New Mexico School for the Deaf	\$ 4,795.9	\$ 5,054.9	\$ 259.0	5.4%	\$ 5,054.9	\$ 259.0	5.4%
HIGHER EDUCATION:	\$ 1,025,354.4	\$ 1,201,140.7	\$ 175,786.3	17.1%	\$ 1,081,774.6	\$ 56,420.2	5.5%
99300 Public School Support	\$ 3,812,922.2	\$ 4,044,030.5	\$ 231,108.3	6.1%	\$ 4,077,425.6	\$ 264,503.4	6.9%
PUBLIC SCHOOL SUPPORT:	\$ 3,812,922.2	\$ 4,044,030.5	\$ 231,108.3	6.1%	\$ 4,077,425.6	\$ 264,503.4	6.9%
Public Schools LGPF to PERF	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
Compensation - 5% (Agencies/Higher Ed-Schools in SEG)	\$ -	\$ -	\$ -	-	\$ 94,000.0	\$ 94,000.0	-
Health Premiums-State Agencies	\$ -	\$ -	\$ -	-	\$ 93,535.5	\$ 93,535.5	-
	\$ -	\$ -	\$ -	-	\$ 10,000.0	\$ 10,000.0	-
	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
COMPENSATION/OTHER	\$ -	\$ -	\$ -	-	\$ 197,535.5	\$ 197,535.5	0.0%
TOTAL GENERAL APPROPRIATION ACTS	\$ 8,380,193.6	\$ 9,356,559.1	\$ 976,365.5	11.7%	\$ 9,419,601.2	\$ 1,039,407.6	12.4%
TOTAL FEED BILL AND GENERAL APPROPRIATION ACT	\$ 8,400,558.5	\$ 9,380,357.5	\$ 979,799.0	11.7%	\$ 9,443,554.0	\$ 1,042,995.5	12.4%

Table 4: General Fund Financial Summary

General Fund Financial Summary: LFC Budget Recommendation (millions of dollars)

	Actual FY2022	Estimate FY2023	Estimate FY2024
APPROPRIATION ACCOUNT			
REVENUE			
Recurring Revenue			
August 2022 Consensus Revenue Estimate	\$ 9,216.6	\$ 9,847.1	\$ 10,859.0
December 2022 Consensus Revenue Update	\$ 458.7	\$ 928.0	\$ 1,135.9
2023 Legislative Session Recurring Revenue Legislation	\$ -	\$ -	\$ (1,000.0)
Total Recurring Revenue	\$ 9,675.3	\$ 10,775.1	\$ 10,994.9
<i>Percent Change in Recurring Revenue</i>	<i>19.7%</i>	<i>11.4%</i>	<i>2.0%</i>
Nonrecurring Revenue			
Federal ARPA Funds	\$ 1,069.2	\$ -	\$ -
Nonrecurring Reversions from the Federal CRF/CARES	\$ -	\$ -	\$ -
2021/2022 Nonrecurring Revenue Legislation	\$ (902.9)	\$ (68.8)	\$ -
2023 Legislative Session Nonrecurring Revenue Legislation	\$ -	\$ -	\$ -
Total Nonrecurring Revenue	\$ 166.3	\$ (68.8)	\$ -
TOTAL REVENUE	\$ 9,841.6	\$ 10,706.3	\$ 10,994.9
APPROPRIATIONS			
Recurring Appropriations			
2021 Regular and Special Sessions Legislation & Feed Bill (pre-veto)	\$ 7,449.7	\$ -	-
2022 Regular Session Recurring Legislation & Feed Bill	\$ 7.6	\$ 8,404.3	\$ -
2023 Regular Session Recurring Legislation & Feed Bill	\$ -	\$ 14.7	\$ 9,443.1
Total Operating Budget	\$ 7,457.3	\$ 8,419.0	\$ 9,443.1
Nonrecurring Appropriations			
2021 Regular and Special Session ARPA Appropriations (post-veto)	\$ 345.4	\$ -	-
2022 Regular Session ARPA Related Nonrecurring	\$ 274.2	\$ 450.2	\$ -
2022 Regular Session Nonrecurring	\$ 1,056.0	\$ 100.0	\$ -
2023 Regular Session ARPA Related Nonrecurring	\$ -	\$ 140.0	\$ -
2023 Regular Session Nonrecurring	\$ -	\$ 2,038.8	\$ 1,492.0
Total Nonrecurring Appropriations	\$ 1,675.6	\$ 2,729.0	\$ 1,492.0
Subtotal Recurring and Nonrecurring Appropriations	\$ 9,133.0	\$ 11,148.0	\$ 10,935.1
<u>Audit Adjustments</u>			
2022 GAA Undistributed Nonrecurring Appropriations ¹	\$ (448.1)	\$ 448.1	-
TOTAL APPROPRIATIONS	\$ 8,684.9	\$ 11,596.0	\$ 10,935.1
Transfer to (from) Operating Reserves	\$ 707.2	\$ (299.6)	\$ 59.8
Transfer to (from) Appropriation Contingency Fund (ARPA Funds)	\$ 450.2	\$ (590.2)	\$ -
TOTAL REVENUE LESS TOTAL APPROPRIATIONS	\$ 1,156.7	\$ (889.8)	\$ 59.8
GENERAL FUND RESERVES			
Beginning Balances	\$ 2,504.8	\$ 3,680.3	\$ 2,691.0
Transfers from (to) Appropriations Account	\$ 707.2	\$ (299.6)	\$ 59.8
Revenue and Reversions	\$ 2,548.9	\$ 1,353.4	\$ 850.7
Appropriations, Expenditures and Transfers Out	\$ (2,080.7)	\$ (2,043.0)	\$ (765.4)
Ending Balances	\$ 3,680.3	\$ 2,691.0	\$ 2,836.2
<i>Reserves as a Percent of Recurring Appropriations</i>	<i>49.4%</i>	<i>32.0%</i>	<i>30.0%</i>

Notes:

1) Many nonrecurring appropriations, including specials and supplementals in the GAA, had authorization to spend in multiple fiscal years - amounts that were not distributed in the first year become encumbrances for the next year.

* Note: totals may not foot due to rounding

General Fund Financial Summary

General Fund Financial Summary: LFC Budget Recommendation

RESERVE DETAIL (millions of dollars)

	Prelim. FY2022	Estimate FY2023	Estimate FY2024
OPERATING RESERVE			
Beginning Balance	\$ 347.5	\$ 565.8	\$ 263.8
BOF Emergency Appropriations/Reversions	\$ (2.5)	\$ (2.5)	\$ (2.5)
Transfers from (to) Appropriation Account	\$ 707.2	\$ (299.6)	\$ 59.8
Transfers to Tax Stabilization Reserve	\$ (459.9)	\$ -	\$ -
Disaster Allotments ¹	\$ (26.4)	\$ -	\$ -
Transfer from (to) ACF/Other Appropriations	\$ -	\$ -	\$ -
Revenues and Reversions	\$ -	\$ -	\$ -
Transfers from tax stabilization reserve	\$ -	\$ -	\$ -
Transfers from tax stabilization reserve to restore balance to 1 percent ⁴	\$ -	\$ -	\$ -
Ending Balance	\$ 565.8	\$ 263.8	\$ 321.1
APPROPRIATION CONTINGENCY FUND			
Beginning Balance	\$ 55.5	\$ 460.7	\$ 2.5
Disaster Allotments	\$ (55.5)	\$ (16.0)	\$ (16.0)
ARPA Appropriation from 2021 Second Special Session	\$ (345.4)	\$ -	\$ -
Other ARPA Appropriations (including 2022, 2023 Regular Sessions)	\$ (274.2)	\$ (450.2)	\$ -
Transfers In ⁹	\$ 1,069.2	\$ -	\$ -
Revenue and Reversions	\$ 11.2	\$ 8.0	\$ 8.0
Audit and Pre-Audit Adjustments	\$ -	\$ -	\$ -
Ending Balance	\$ 460.7	\$ 2.5	\$ (5.5)
STATE SUPPORT FUND			
Beginning Balance	\$ 4.0	\$ 49.5	\$ 28.6
Revenues ²	\$ 15.5	\$ -	\$ -
Appropriations to State Support Reserve Fund ⁶	\$ 30.0	\$ -	\$ -
Impact Aid Liability FY20	\$ -	\$ (20.9)	\$ -
Impact Aid Liability FY21	\$ -	\$ -	\$ -
Audit Adjustments	\$ -	\$ -	\$ -
Ending Balance	\$ 49.5	\$ 28.6	\$ 28.6
TOBACCO SETTLEMENT PERMANENT FUND (TSPF)⁸			
Beginning Balance	\$ 285.3	\$ -	\$ -
Transfers In ³	\$ 36.5	\$ -	\$ -
Appropriation to Tobacco Settlement Program Fund ³	\$ (36.5)	\$ -	\$ -
Gains(Losses)	\$ 14.9	\$ -	\$ -
Additional Transfers from (to) TSPF	\$ -	\$ -	\$ -
Ending Balance	\$ 300.2	\$ -	\$ -
TAX STABILIZATION RESERVE (RAINY DAY FUND)			
Beginning Balance	\$ 1,812.6	\$ 2,304.1	\$ 2,396.2
Revenues from Excess Oil and Gas Emergency School Tax	\$ 1,340.1	\$ 1,253.2	\$ 746.9
Gains(Losses)	\$ 31.6	\$ 92.2	\$ 95.8
Transfers In (From Operating Reserve)	\$ 459.9	\$ -	\$ -
Transfer Out to Operating Reserve ^{4,5}	\$ -	\$ -	\$ -
Transfer Out to Early Childhood Trust Fund ⁷	\$ (1,340.1)	\$ (1,253.2)	\$ (746.9)
Ending Balance	\$ 2,304.1	\$ 2,396.2	\$ 2,492.1
<i>Percent of Recurring Appropriations</i>	<i>30.9%</i>	<i>28.5%</i>	<i>26.4%</i>
TOTAL GENERAL FUND ENDING BALANCES	\$ 3,680.3	\$ 2,691.0	\$ 2,836.2
<i>Percent of Recurring Appropriations</i>	<i>49.4%</i>	<i>32.0%</i>	<i>30.0%</i>

Notes:

1) DFA using operating reserve to cover disaster allotments due to low balance in the appropriation contingency fund. FY20 includes \$35.5 million for COVID-19 related responses.

2) Laws 2021, Chapter 137 (HB2, Section 10-11) includes a \$15.5 million transfer from the repealed K-3 Plus Program Fund to the state support reserve.

3) Laws 2021, Chapter 60 (SB 187) allows use of 100% of revenue for tobacco program fund in FY22.

4) Laws 2020, Chapter 34 (House Bill 341) transfers from the tax stabilization reserve to the operating reserve if operating reserve balances are below one percent of appropriations, up to an amount necessary for the operating reserve to be one percent of total appropriations for the current year.

5) 2022 GAA authorized a transfer of up to \$95 million from the TSR.

6) Laws 2022, Chapter 54 (HB2, Section 5-112) includes a \$30 million appropriation to the state support reserve fund.

7) Laws 2020, Chapter 3 (HB83, Section 4) provides that oil and gas school tax revenue in excess of the five-year average be transferred to the Early Childhood Trust Fund instead of the tax stabilization reserves if reserve balances exceed 25 percent of recurring appropriations.

8) The LFC recommendation includes removal of the Tobacco Settlement Permanent Fund from reserve calculations.

* Note: totals may not foot due to rounding