



2005 POST-SESSION FISCAL REVIEW

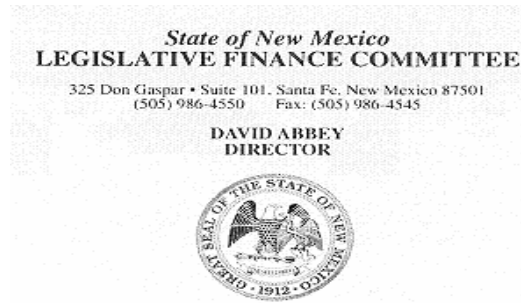
Legislative Finance Committee

May 2005

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May 25, 2005

Dear Fellow Legislators,

While drafting a budget in lean years is difficult, budget-making in times of plenty can be almost as complicated. That was the case during the 2005 legislative session. Fueled by record-setting prices in the oil and natural gas industries, state revenue projections indicated strong growth in FY06 and those projections of ample new dollars prompted both the Legislature and the executive to propose long lists of initiatives. Sorting through that list, always keeping in mind that revenue from the energy industry is notoriously volatile, became a focus of this most recent legislative session.

As we have in the past, the Legislature focused spending on education, including the continuing reform effort, public safety and health. These are the areas that have the most impact on the people of New Mexico. These are the critical services that ensure our children have the opportunity to learn and grow in a safe and healthy environment.

This document is a review of the fiscal impact of the Legislature's action during the regular session of 2005. It also includes a summary of the state's financial situation. Such a review provides us with a useful summary of financial legislation as well as a tool for thoughtful analysis.

I want to thank the staff of the Legislative Finance Committee for their efforts in putting together this report. The committee staff once again performed effectively and professionally and I believe you will find this report valuable.

Sincerely,

Representative Luciano "Lucky" Varela
Chairman

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2005 POST SESSION FISCAL REVIEW

Representative
Luciano “Lucky”
Varela
Chairman

Senator
Joseph A. Fidel
Vice Chairman

David Abbey
Director

INTRODUCTION

The 2005 legislative session began with projections of healthy growth in general fund revenues (more than \$300 million above the FY05 adopted level); however, this outlook caused a proliferation of spending initiatives from the legislative, executive and judicial branches, as well as from advocates. The primary budget challenge that confronted the Legislature was how to allocate the funds to address literally hundreds of deserving programs and proposals.

At the session's outset, the Legislative Finance Committee (LFC) proposed an FY06 general fund budget of \$4.68 billion, including \$129 million in new money for public schools to support enrollment growth, a three-tiered teacher licensure program, full-day kindergarten, student assessment, stabilizing the education retirement fund, improving oversight activities, addressing the achievement gap, and other school reforms. The LFC recommendation also included funding for other initiatives such as increasing need-based financial aid for postsecondary students, expanding the state Mathematics, Engineering, and Science Achievement program (MESA), additional endowed chairs at state universities, improving child support enforcement through informational services and satellite field offices, facilitating eligibility for disability waivers, reducing waiting lists for services for developmentally disabled persons, addressing growth in foster care caseload, improving protective services, equalizing childcare reimbursement rates between rural and urban areas, and stepping up alcohol enforcement by deploying a mobile strike unit.

In the governor's budget, the executive proposed more than 140 initiatives. The executive placed the greatest emphasis on tax cuts (more than \$39 million in tax relief for low- and moderate-income individuals, a back-to-school sales tax holiday, a reduction in the pyramiding of the gross receipts tax, and others), voluntary pre-kindergarten programs for 4-year-olds, creation of a Department of Higher Education, anti-gang programs, expanded access to health care, protection and support of senior citizens, and water adjudication and compact compliance.

Additionally, advocates sought support for a wide range of worthwhile purposes—from \$2 million to provide long-term services to persons with brain injuries to \$10 thousand for a youth mentoring program to \$400 thousand for a business incubator to \$200 thousand for literacy education and many more.

The remainder of the *2005 Post-Session Fiscal Review* summarizes the outcomes of legislative deliberations and evaluations of these competing interests with regard to major policy issues with fiscal implications in the 2005 legislative session. The *Review* concludes with tables that detail the items in the General Appropriation Act of 2005, as well as other major appropriations bills.

FISCAL OVERVIEW: FY06 Budget, Tax Legislation and Forecast

FY06 Budget. The enacted general fund budget for FY06 is balanced and provides sufficient funding for priority state-financed services. General fund reserves remain exceptionally strong.¹

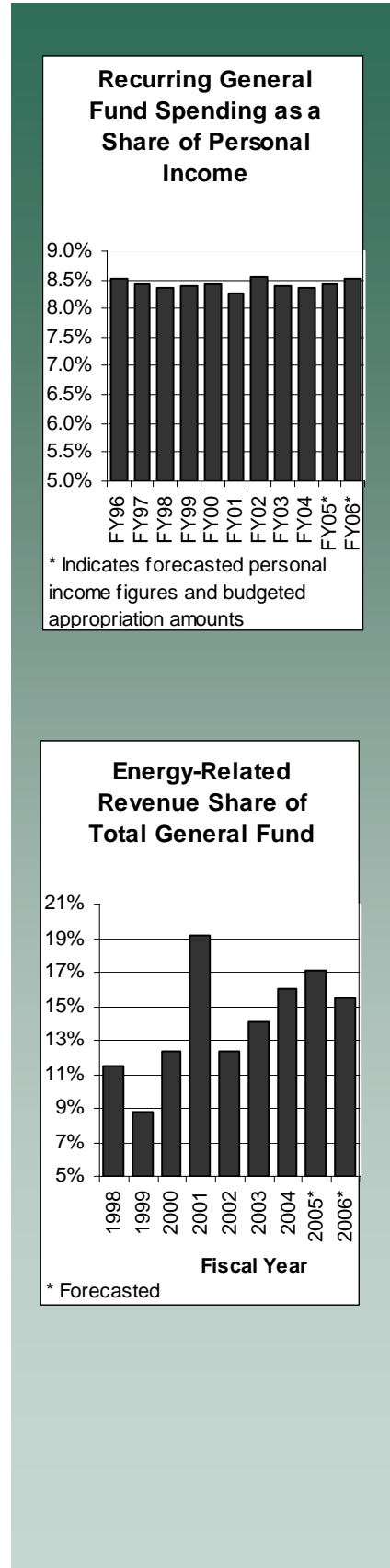
Estimated revenue growth in FY06 relative to recurring FY05 appropriations (“new money”) was an extraordinarily robust \$341.6 million (including impacts of tax legislation adopted in the 2005 legislative session). Strong expected revenue growth in FY06 is largely due to historically high oil and natural gas prices. Healthy revenues enabled recurring general fund spending, including the General Appropriation Act and other appropriation bills, to grow by \$320 million over the current year operating budget or 7.3 percent. However, approximately \$60 million of the increased spending went to replace reduced federal support for the Medicaid program. By way of comparison, nominal spending growth between FY95 and FY05 averaged 5.7 percent. Additionally, general fund spending as a share of total personal income in the state was 8.5 percent, remaining roughly constant over the past 10 years.

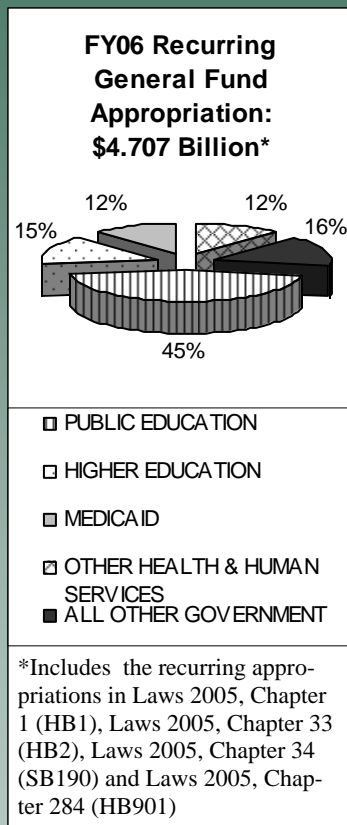
State general fund reserves in FY06 are expected to reach \$417 million, 8.9 percent of recurring appropriations. This compares favorably with the traditional 5 percent reserve target. The high reserve level in large part reflects legislators’ concerns about the risks associated with revenue growth that is dependent on volatile oil and natural gas prices. In FY04, energy-related revenues as a share of the total general fund grew to 16 percent and that share is expected to remain above 15 percent for the next few years. The general fund financial summary detailing revenues, appropriations, and reserve levels is included as Appendix A.

FY06 appropriations reflect the budget priorities shared by the Legislature and executive: education and health care. Overall, education spending accounted for 60 percent of the FY06 general fund budget, with 45 percent allocated to public schools and 15 percent to higher education. Similarly, education spending absorbed much of the budget growth.

Once again Medicaid was the fastest growing sector, in terms of spending, with general fund appropriations increasing by

¹ In this document, appropriations from Section 5 of the General Appropriation Act and from Chapter 34 (Senate Bill 190) are categorized as recurring and nonrecurring according to guidelines established by the Legislative Finance Committee and as reflected in the general fund financial summary, Table A in the Appendix.





\$84 million, or nearly 18 percent, in FY06. (It should again be noted that \$60 million of this “growth” simply replaced federal participation.) Spending on the judicial system was the second fastest growing segment, increasing 9 percent in FY06. (See Five-Year Expenditure Forecast Table on page 8.) In comparison, over the past 10 years, general fund spending on Medicaid has grown the most, with an average growth rate of over 12 percent. The growth rate in spending on public safety was the second largest over the last 10 years, averaging 6.1 percent, while spending growth on education came in third, at 5.2 percent.

Tax Legislation. The Legislature adopted a number of bills affecting revenues. Tax cuts were largely offset by slowing implementation of the income tax rate reductions enacted in 2003. Key changes include a new income tax exemption for low and moderate income taxpayers, tax relief for head of household filers who will now face the same tax schedule as married taxpayers filing jointly, several economic development incentives, and other miscellaneous revenue legislation, including gaming legislation that expands the number of hours that racetrack casinos can operate and slightly increases the tax rate from 25 percent of net-win to 26 percent. The fiscal impacts of the changes from all enacted legislation are relatively modest over the medium term (fiscal years 2005 through 2009), increasing revenue slightly in the first couple of years and then reducing revenues by similar amounts in the following two years. In FY06 and FY07 recurring revenues from all enacted bills are expected to increase by approximately \$16 million and \$31 million. However, in fiscal years 2008 and 2009 the fiscal impacts turn negative, with revenues falling by \$6 million and \$33 million. Appendix B shows the consensus revenue estimate revised for legislation passed in the 2005 legislative session. Below is a description of key taxation and revenue bills that passed.

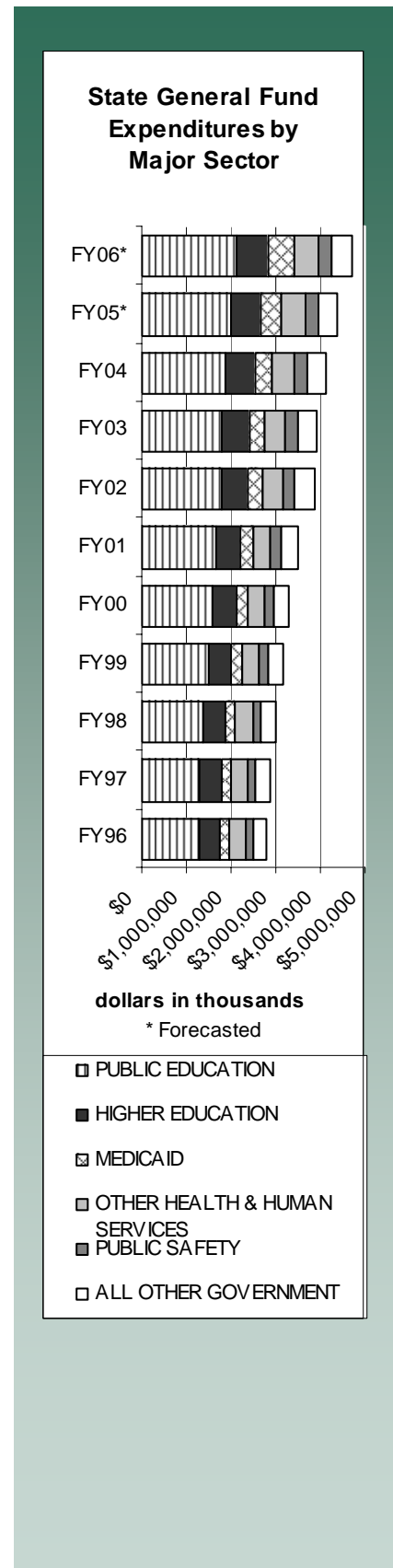
The most significant tax bill passed during the 2005 legislative session was House Bill 410, enacted as Chapter 104. Key components of this omnibus bill include: a new personal income tax exemption for low- and middle-income taxpayers, tax relief for single parents through the merger of the tax tables for head of household and married filing jointly, an income tax exemption for those age 65 and older for unreimbursed medical expenses, numerous economic development incentives (including credits for renewable energy production, rural jobs, film production, small business technology, affordable housing, and defense transformation gross receipts, and a gross receipts tax reduction

for aircraft services), and a gross receipts tax holiday. Partially addressing the tax-pyramiding effect on New Mexico businesses, House Bill 410 also provides a partial gross receipts or governmental gross receipts credit for sales of service for resale. To offset the revenue loss associated with these provisions, the bill delays currently scheduled personal income tax reductions (Laws 2003, Chapter 2). Top rates would be 5.8 percent in 2006 instead of 5.3 percent and would decline to 5.3 percent in 2007 instead of 4.9 percent. In 2008, the top rate would decline to 4.9 percent. The overall estimated general fund fiscal impact of this bill is a positive \$12 million in FY06, \$28 million in FY07 and a negative \$7 million in FY08. This fiscal impact estimate for the bill reflects a post-session revision to the expected cost of the new personal exemption provided for low- and moderate-income taxpayers. The initial fiscal impact estimate for the personal exemption was a general fund revenue loss of \$16.5 million; this was later revised to \$20.4 million loss. The lower initial fiscal impact estimate was based on a more rapid exemption phase-out than was actually provided for in the final legislation, which was introduced in the waning hours of the session.

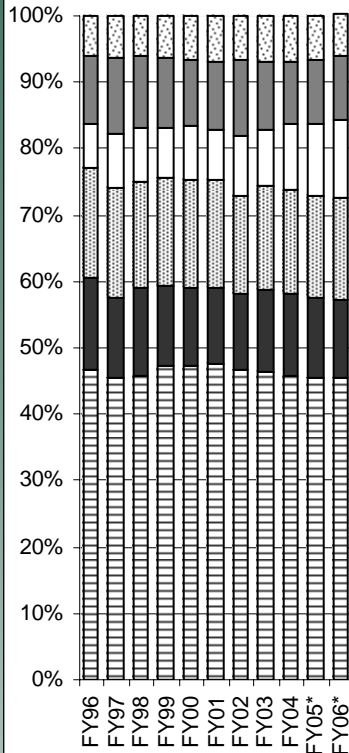
Chapter 91 (Senate Bill 534) provides a gross receipts tax deduction for nursing home receipts for medical services provided to Medicare beneficiaries. The bill also repeals the income tax credit passed in 2004 for out-of-pocket expenses for nursing home services. Federal Medicaid officials objected to the 2004 tax credit, because it offset the nursing home bed tax for individuals and effectively left only Medicaid paying the tax. The officials indicated New Mexico would not receive the federal match for the nursing home bed tax if the income tax credit was not repealed. The bill would increase general fund revenues by an estimated \$2.4 million in FY06.

Chapter 267 (House Bill 1102) provides a state income tax credit for people age 65 or older. The credit is refundable at 10 percent of unreimbursed, uncompensated medical care expenses greater than \$28 thousand. The maximum credit is \$2,800. The tax credit will reduce FY06 general fund revenues by about \$6.6 million.

Chapter 350 (Senate Bill 837) increases the hours of racetrack gaming from 12 to 18 per day (not to exceed 112 hours per week) and allows racetracks to determine what hours they will be open. The bill increases the gaming tax from 25 percent of the net take of racetrack licensees to 26 percent of net take. The



State General Fund Expenditures by Major Sector



* Forecasted

- ☐ PUBLIC SAFETY
- ALL OTHER GOVERNMENT
- MEDICAID
- ▨ HIGHER EDUCATION
- OTHER HEALTH & HUMAN SERVICES
- ▨ PUBLIC EDUCATION

determine what hours they will be open. The bill increases the gaming tax from 25 percent of the net take of racetrack licensees to 26 percent of net take. The bill will increase FY06 general fund revenues by an estimated \$8.1 million.

Chapter 183 (House Bill 432) expands eligibility for counties qualifying for distributions pursuant to the Small Counties Assistance Act. Among other changes, the bill changes the definition of a “qualifying county” by striking all reference to class of county. The bill will reduce FY06 general fund revenues by an estimated \$675 thousand.

Chapter 132 (House Bill 444) amends current statutes regarding the applicability of the health insurance premium surtax on insurance premiums, including hospital and nonprofit healthcare service plan contracts. Dental- or vision-only contracts are excluded from the surtax. The insurance premium surtax is 1 percent of the gross health insurance premiums and memberships and policy fees received. The FY06 fiscal impact to the general fund is estimated to be an \$800 thousand decrease.

Chapter 21 (House Bill 394) changes statutes regarding health insurance alliances. Among other changes, the bill reduces the premium rates that the member plans are allowed to charge. The bill would increase FY06 general fund revenues by an estimated \$196 thousand. The bill will reduce general fund revenues by as much as \$1.7 million in FY08 and by as much as \$3 million annually in FY09 and afterward.

Chapter 225 (House Bill 575) authorizes the state, represented by the Taxation and Revenue Department, to participate with other states in negotiating the streamlined sales tax agreement, a uniform state sales tax and automated collection system. The purpose of the streamlined sales tax agreement is to simplify the administration of sales taxes, reduce the administrative burden on sellers and preserve and strengthen the sales tax as a revenue source for state and local governments. The streamlined sales tax initiative may eventually enable states to tax Internet and catalog sales. Implementation of the sales tax agreement will require adoption by the state Legislature.

Five-Year Forecast. Periodically, LFC staff issues a five-year general fund expenditure baseline forecast which is coupled with the executive/legislative consensus revenue forecast prepared in December. Official revenue estimates are developed

jointly with the executive branch. LFC staff estimates the expenditure baseline forecast using a methodology similar to that employed by the Congressional Budget Office (CBO)². CBO cautions that the baseline forecast is not intended to predict a future budgetary outcome but is meant to serve as a neutral benchmark against which policymakers can measure the effects of proposed changes to taxes and spending³. Furthermore, the state's balanced budget requirement makes the baseline forecast an important medium-term budget planning tool. The economic assumptions used for the forecasts are listed in Appendix C.

Revenues. Looking beyond FY06, general fund revenues are expected to be nearly flat in FY07, growing by 0.4 percent. Revenues are expected to grow 1.2 and 3.2 percent in FY08 and FY09 respectively. This below-trend growth is partially attributed to the expectation that oil and gas prices will decline from the historically high levels of the last year, reducing severance tax and royalty revenues. After rising in FY05 to approach \$800 million, energy-related revenues are expected to decline to an estimated \$640 million by FY09. Other forecasted revenue decreases are based on revenue changes contained in current law. Personal income tax revenues are estimated to decrease, in FY07, because of the rate reductions scheduled for the coming years. Additionally, the sunset of the transfer of tobacco settlement revenues to the general fund will also reduce overall revenues by about \$35 million annually. The revenue baseline estimate is summarized in the table below.

<i>Revenue Forecast</i>	Actual	Forecast				
	FY04	FY05	FY06	FY07	FY08	FY09
General Sales Taxes	1,443.3	1,531.8	1,595.9	1,660.4	1,732.7	1,808.5
Selective Sales Taxes	354.6	403.2	429.2	444.6	458.9	474.7
Income Taxes	1,153.1	1,212.1	1,221.3	1,209.2	1,182.7	1,219.9
Mineral Production Taxes	329.6	382.6	354.6	340.0	323.9	312.4
License Fees	42.9	43.6	44.8	45.9	47.1	48.0
Investment Income	484.4	563.8	576.9	589.1	614.5	661.5
Rents and Royalties	356.9	409.3	374.0	357.8	341.9	330.1
Miscellaneous Receipts	26.1	25.2	25.9	26.5	27.2	27.9
Tribal Revenue Sharing	35.1	36.0	43.0	43.0	43.0	43.0
Tobacco Settlement Revenue	37.4	34.8	34.1	-	-	-
Reversions	19.6	20.8	22.9	23.4	24.9	26.4
Total Recurring Revenue	4,283.6	4,663.3	4,722.6	4,739.9	4,796.8	4,952.4
Non Recurring Revenue	328.7	36.8	-	-	-	-
Grand Total Revenues	4,612.3	4,700.1	4,722.6	4,739.9	4,796.8	4,952.4
Recurring revenue growth		379.7	59.4	17.3	56.8	155.6
Recurring growth rate		8.9%	1.3%	0.4%	1.2%	3.2%

² CBO's budget projections, mandated by statute, assume that current laws and policies remain the same. Discretionary spending grows at the rate of inflation; entitlement programs' spending projections are determined by eligibility rules and benefit levels set in law.

³ *The Budget and Economic Outlook: An Update, CBO, August 2003.*

Expenditures. Baseline spending is projected to grow at an average rate of 4.2 percent during the forecast period, roughly in line with the rate of inflation plus state population growth. In the table below, the FY06 recurring spending level reflects the 2005 General Appropriation Act, the “feed bill” (Chapter 1), which covers legislative appropriations, and other appropriations bills. The spending baseline estimate for FY07 to FY09 assumes the cost of providing current services increases with overall inflation and population growth and factors in additional spending specified in law. Spending in the legislative, general control, agriculture, and energy and natural resources sectors grows with inflation only. Medicaid expenditures are expected to grow by 7.8 percent annually based on current CBO projections for the program. Spending in all other sectors increases with inflation plus population growth. Finally, LFC staff added between \$44 million and \$92 million to various years in the forecast period to account for education initiatives. These figures largely reflect recent reforms requiring the state to contribute to educational retirement and the three-tiered teacher salary increases. The expenditure baseline estimate is summarized in the table below.

ADDITIONAL EDUCATION INITIATIVES (detail)			
	FY07	FY08	FY09
Employee Retirement Board	18.0	36.0	54.0
Pre-Kindergarten	4.0	4.0	4.0
Art Programs	6.0	6.0	6.0
Three-Tier Teacher Licensure	16.0	28.0	28.0
TOTAL	44.0	74.0	92.0

<i>FIVE-YEAR FORECAST</i>	Actual FY04	Op. Bud. FY05	Approp FY06	Baseline Forecast		
				FY07	FY08	FY09
<i>Expenditures:</i>						
Legislative	14.9	15.5	16.2	16.4	16.8	17.1
Judicial	136.6	147.5	160.8	162.2	167.6	173.4
General Control *	135.5	145.3	150.8	151.7	154.9	158.3
Commerce and Industry	47.3	49.5	47.9	47.1	48.1	49.2
Ag, Energy & Nat. Resources	58.7	65.0	70.2	69.4	70.9	72.4
Health and Human Services	911.3	1,010.3	1,118.7	1,175.3	1,241.6	1,312.7
Medicaid	407.7	474.7	558.7	602.3	649.3	699.9
Other HHS	503.6	535.6	560.0	573.0	592.3	612.8
Public Safety	280.7	288.8	296.9	304.5	314.7	325.6
Corrections	204.3	207.6	211.7	218.7	226.0	233.8
Other Public Safety	76.4	81.2	85.2	85.8	88.7	91.8
Higher Education	639.3	671.9	714.1	728.0	752.5	778.5
Public Education	1,883.6	1,993.3	2,132.0	2,194.5	2,297.9	2,392.6
<i>Additional education initiatives</i>				44.0	74.0	92.0
Total	4,108.0	4,387.1	4,707.6	4,893.1	5,139.0	5,371.9
Spending Increase		279.1	320.5	185.6	245.8	233.0
Spending Growth Rate		6.8%	7.3%	3.9%	5.0%	4.5%

Notes

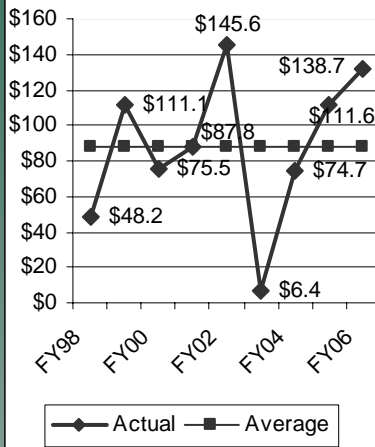
- 1) Medicaid spending grows at 7.8 percent per year, the CBO projection.
- 2) Corrections spending grows at inflation plus overall population growth rate
- 3) Public schools grow at projected rate of enrollment growth plus inflation. FY07 - FY09 include additional amounts for education reform currently in law, including education retirement, fine arts, and 3-tiered teacher salaries.
- 4) All other agencies grow at the expected rate of inflation.
- 5) Sources for economic growth, inflation, and demographics include Global Insight, UNM, & the U.S. Census

Projected Structural Imbalance. The table below compares the baseline recurring revenue and recurring expenditure forecasts. This comparison shows that projected recurring revenue growth is too low to support the estimated recurring expenditure level, implying a recurring-to-recurring baseline imbalance estimated to be \$153 million in FY07. This implies the Legislature and the governor may need to address the baseline fiscal imbalance by cutting spending or increasing taxes or some combination of the two.

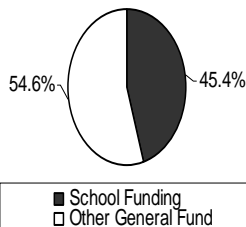
PROJECTED BALANCE	Actual	Forecast				
Revenues - Expenditures	FY04	FY05	FY06	FY07	FY08	FY09
Total Recurring Revenue	4,283.6	4,663.3	4,722.6	4,739.9	4,796.8	4,952.4
Total Recurring Expenditures	4,108.0	4,387.1	4,676.1	4,893.1	5,139.0	5,371.9
Baseline Balance	175.6	276.2	46.5	-153.2	-342.2	-419.5

ELEMENTARY AND SECONDARY EDUCATION

Elementary and Secondary School Funding Increase
(in millions)

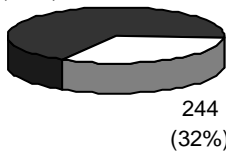


Percent of Elementary and Secondary School Funding to Total General Fund



2003-2004 Adequate Yearly Progress for Elementary and Secondary Schools

521
(68%)



■ Completing Adequate Yearly Progress
□ Not Completing Adequate Yearly Progress

Elementary and secondary education received significant support from the Legislature in 2005, with FY06 appropriations from the General Appropriation Act and other appropriations bills that were \$138.7 million higher than FY05—the most substantial increase in four years and well above the average. In all, elementary and secondary education received \$2.126 billion in recurring general fund appropriations for FY06. See the tables in Appendix J for a summary of public school appropriations and a funding worksheet.

Achievement Gap, Adequate Yearly Progress and Schools in the Improvement Cycle.

At the outset of the 2005 legislative session, New Mexico elementary and secondary schools faced two major challenges. First, the schools were addressing the achievement gap between students in certain ethnic and other identified subgroups and school and statewide averages. Second, they were working to meet the standards of the federal No Child Left Behind Act, including requirements for student proficiency in standardized reading and mathematics tests, participation rates on the tests, and attendance and graduation rates. Schools meeting the standards and showing improvements are identified as having made “adequate yearly progress” or AYP under the act. Schools that do not meet the standards two years in a row are placed into an improvement cycle.

Rather than attempt to develop new programs to address these challenges, the Legislature appropriated sufficient funds for anticipated needs of the 89 school districts so they, in turn, can concentrate on improving student outcomes to reduce the achievement gap and improve school performance. The additional funding increased the unit value (used to allocate funds to school districts) by an average of \$179.31, or 5.8 percent over the current unit value of \$3,068.70. This is the highest dollar increase in four years. In addition, the Legislature continued the \$1.6 million FY05 appropriation to the incentives for school improvement fund in FY06.

Three-Tiered Teacher Licensure. To retain and attract highly qualified teachers and to provide incentives for teachers to attain further professional development, the Legislature adopted the Public School Reform Act in 2003 that established three levels or tiers of licensure and a five-year implementation of a new salary schedule that rewards teachers with higher levels of experience and achievement. When fully implemented, the minimum annual salary will be \$30 thousand for level 1 teachers,

\$40 thousand for level 2, and \$50 thousand for level 3A. In the 2005 session, the Legislature fully funded the third phase of the implementation, bringing level 2 and 3A teachers to a minimum annual salary of \$40 thousand at a cost of \$51.8 million, or 37 percent of the total appropriation increase for public schools. Unlike the rest of state equalization funding, the three-tier funding will be distributed outside the formula-based costs reported by districts. Approximately 58 percent of teachers will receive a compensation increase as a result. The percentage of teachers on waivers for not having a license has declined from 15.7 percent to 8.2 percent since the program was initiated. The next phase will raise the minimum for level 3 teachers to \$45 thousand in FY07 at a cost estimated to be between \$14 million and \$16 million.

Other Compensation and Benefits. Public school employees not receiving compensation increases as a result of the continuing implementation of the three-tiered teacher licensure will receive a 1.25 percent increase in compensation effective July 1, 2005.

To address unfunded actuarial accrued liability of over \$2 billion in the educational retirement fund, the Legislature adopted Senate Bill 181, enacted as Chapter 273, increasing employer contributions by 5.25 percent of employee salaries over the next seven years to a total of 13.9 percent (an increase of three-quarter of a percent each year). Employee contributions will increase 0.3 percent over the next four years from 7.6 percent of their salaries to 7.9 percent in FY09. To begin to implement this legislation, the Legislature appropriated funds for the initial three-quarter of a percent increase in the employer contribution.

The Legislature also provided \$16.3 million to offset school district increased costs for insurance.

Education Reform Initiatives. Many of the education reform initiatives enacted in 2004 were funded with nonrecurring revenue. In 2005, the Legislature was reluctant to support this practice and many initiatives were not continued. The Legislature appropriated \$14.7 million from the “education lockbox,” allocating \$7 million for assessment and test development through FY08, \$6.7 million for upgrading the accountability data system to a true data warehouse through FY07, \$600 thousand for the continued implementation of a uniform accounting system for elementary and secondary schools, and \$400 thousand for continued implementation of the evaluation system and training for the three-tiered teacher licensure. In addition, Chapter 34

(Senate Bill 190) provides funds for after-school programs for at-risk students (\$57 thousand), advanced placement classes (\$190 thousand), breakfast for elementary students (\$475 thousand), character counts (\$38 thousand), computerized learning (\$950 thousand), domestic violence identification training for school personnel (\$285 thousand), geography education (\$238 thousand), multicultural arts and education (\$48 thousand), obesity programs (\$475 thousand), parental involvement training (\$45 thousand), physical education classes (\$1.4 million), professional development for school personnel in the area of developmental disabilities and autism (\$48 thousand), and truancy prevention (\$475 thousand). At this point, it is not clear if these funds will be considered recurring or nonrecurring in the future.

Educational Assistants Career Ladder. The Legislature elected not to pursue an educational assistant career ladder during this session largely due to the cost of the third year of the implementation of the three-tiered teacher licensure. However, the Legislature did provide an additional \$1.9 million to meet the \$12 thousand minimum salary requirement of educational assistants enacted in 2004 but not fully funded. This appropriation should bring all educational assistants to at least the minimum salary level.

Elementary Fine Arts. The Legislature provided an additional \$6 million for elementary fine arts, bringing the total amount in the base public school support budget to \$21.8 million. Although the Public Education Department (PED) proposed maintaining the funding formula factor for fine arts at 0.0332 per student to reduce costs, the statutory increase to 0.05 was not changed and is effective in FY06. Language in the General Appropriation Act states the amount provided for elementary fine arts is based on the 0.05 cost differential multiplied by a 0.8 full-time student equivalent membership.

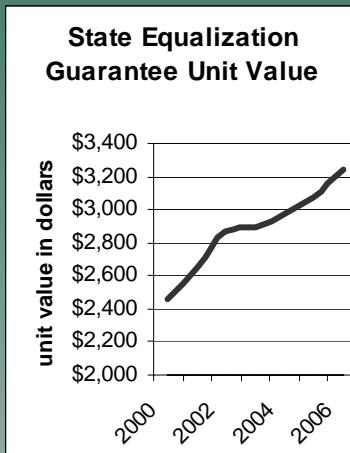
Enrollment Growth Projections. Both LFC and the executive recommended \$10 million for enrollment growth based on the budgets submitted by the school districts for the 2004-2005 school year. However, the 40th day enrollment numbers showed that growth would be higher and would require a funding increase as high as \$16.7 million in FY06. The Legislature decided to fund a compromise of \$14.7 million but provided a \$5 million nonrecurring emergency supplemental appropriation for unforeseen costs, including growth. Additional funding can be made available if the operational supplemental funds are ex-

hausted upon a school district request to PED with the approval of the Board of Finance.

Full-Day Kindergarten. The Legislature continued its support for full-day kindergarten by replacing \$4 million in lost federal funds with a general fund appropriation. The Legislature desires, but did not mandate, reports from PED on the success of the program in improving student outcomes in later grades as the children progress through elementary school.

High School Reform. The Legislature added one-half of an academic unit in New Mexico history as a graduation requirement for students entering the ninth grade beginning in the 2005-2006 school year in Chapter 314 (House Bill 139) and reduced the number of elective units. In addition, the Legislature provided an appropriation for the core curriculum framework to meet the requirements of Chapter 300 (Senate Bill 138) to continue efforts to align school curriculum requirements and provide for advanced placement coursework in grades seven through 12. The intent is to improve student achievement in pre-advanced and advanced placement classes to better prepare them for higher education and reduce the need for remedial classes. Funding for this effort is provided on a grant basis to school districts. Chapter 260 (House Bill 955) changes school district attendance policies to require districts to document efforts to keep truants in educational settings and to use withdrawal from school only after exhausting efforts to keep students in school.

Pre-Kindergarten Initiative. Following legislative hearings establishing the need, the executive proposed a pre-kindergarten initiative as a legislative priority in 2005. In particular, the governor wanted \$9 million to begin implementation of a voluntary pre-kindergarten program that would ultimately be offered to 4-year-olds statewide, with each community designing its own implementation strategy. After extensive, and often intense, debate, the Legislature approved a nonrecurring \$5 million appropriation for a pilot pre-kindergarten program with the appropriation and responsibility for implementation evenly split between PED and the Children, Youth and Families Department with collaboration between the departments. The structure of the program was enacted in Chapter 170 (House Bill 337). The program is targeted to public elementary schools designated as “Title I” schools, those having at least 66 percent of students



qualifying for the federal free lunch program, and not meeting the testing component required for calculating AYP. Requests for proposals will be issued by each department using evaluation criteria specified in the law. After extensive committee review of the legislation, the bill required that bidders ensure funds will not be used for any religious, sectarian or denominational purposes, instruction or material. The departments will provide an annual report to the governor and the Legislature on the progress of the program. This report will be used by the Legislature when considering future funding for the program.

State Equalization Guarantee Formula Issues. Chapter 49 (Senate Bill 125) establishes a Funding Formula Task Force comprising three state representatives, three senators, three members appointed by the governor, four public school administrators (one each from a small school district, a growth district, an impact aid district and a mid-sized district) selected from a list submitted by the New Mexico Superintendents' Association, and the president or designee from the New Mexico School Board Association. Staff for the study is to be provided by the Legislative Education Study Committee, LFC, PED and DFA Office of Education Accountability. The study is to be completed by December 15, 2006, with recommendations to the Legislature and the governor. Unfortunately, the governor vetoed the appropriation of \$200 thousand in the General Appropriation Act; however, the Legislature and the executive remain committed to using funds from operating budgets to pay for the study.

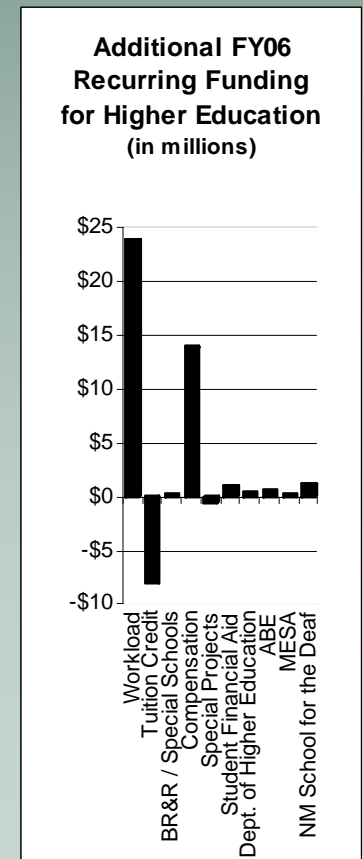
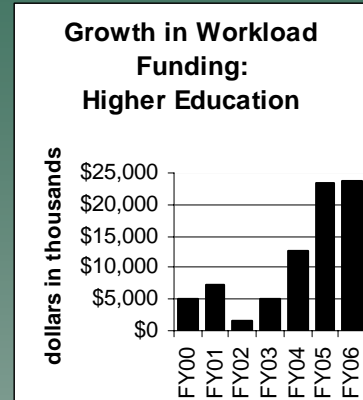
POSTSECONDARY EDUCATION

Total FY06 recurring appropriations for postsecondary education from all appropriations bills are \$714.1 million, up \$42.16 million, or 6.3 percent, over FY05 (see tables in appendix K). Of this amount, \$705 million of recurring appropriations are provided in Section 4 of the General Appropriation Act.

Workload Base Plus Incentive. The Legislature fully funded workload changes at postsecondary institutions under the “base-plus-incentive” funding formula model whereby the base of prior year funding is adjusted to reflect changes in enrollment, the mix of courses offered, pay raises, and changes in fixed costs. The funding level assumed institutions will raise tuition in FY06 by 4.5 percent. The Legislature reduced funding for most research and public service programs (excluding the University of New Mexico Health Sciences Center, New Mexico Department of Agriculture, Cooperative Extension Service and Agricultural Experiment Station) by a total of \$915.1 thousand, or 4 percent, compared with funding increases of \$355 thousand for three specific programs.

With respect to special schools, the higher education appropriation package includes approximately \$328.5 thousand to bring building renewal and replacement funding to 40 percent for the New Mexico School for the Blind and Visually Impaired and the New Mexico School for the Deaf, in line with other higher education institutions. As well, the appropriation provides an additional \$1.2 million for the New Mexico School for the Deaf to align total revenues with total expenditures. The FY05 base reflected constraints on the general fund as well as the need to reduce fund balances from levels in excess of 25 percent.

Governor’s Vetoes. The governor’s vetoes in the General Appropriation Act cut significant nonrecurring funding for higher education investments. Specifically, the governor vetoed \$6 million for the faculty endowment fund, \$1 million for the legislative endowment scholarship fund, \$20 million for infrastructure improvements, and \$4.5 million for libraries. Additionally, the governor vetoed \$2.1 million to the Commission on Higher Education for an infrastructure upgrade for high-speed Internet access and \$2.5 million to the Commission on Higher Education to consolidate multiple remote learning distribution centers. In House Executive Message No. 8, the governor noted he “vetoed a small number of appropriations of significant size in the area of higher education, which will not adversely affect institution operations or their mission. Overall, the budget invests in our



higher education institutions at record levels recognizing the crucial link between higher education and a high-wage economy.”

Special Appropriations. The Legislature provided a number of significant special appropriations to higher education in Section 5 of the General Appropriation Act, including nearly \$2 million to New Mexico State University for non-native phreatophyte (high-water-use trees and shrubs) eradication, monitoring, revegetation, and rehabilitation projects, nearly \$1.3 million to New Mexico Highlands University to retire previously incurred loans, and \$1 million for the new Technology Research Collaborative (TRC) at the New Mexico Institute of Mining and Technology. Chapter 81 (Senate Bill 169) authorized the creation of TRC to encourage the link between commercialization of technological innovations and the economic development needs of the state.

Workforce Training. The General Appropriation Act includes funding to continue to address workforce needs, including \$2 million for the nursing shortage and \$600 thousand for high-skills training. The general fund appropriation for the Adult Basic Education program increased by approximately \$560 thousand to help cover the shortfall from the loss of federal Temporary Assistance for Needy Families funds that had been used to support the program. The general fund appropriation for the New Mexico Mathematics Engineering Science Achievement (MESA) program would increase by almost \$200 thousand in FY06. MESA promotes educational enrichment for middle and high school students from historically under-represented ethnic groups and, in partnership with schools and universities, prepares these pre-college students for college and careers in mathematics, engineering, science, and related fields.

Cabinet Agency. Chapter 289 (House Bill 745) elevates the Commission on Higher Education (CHE) to cabinet status, renaming it the Department of Higher Education. Authority of the agency is expanded from that of the current CHE. Section 4 of the General Appropriation Act includes a contingent appropriation increase of \$400 thousand for personal services and benefits and 4 FTE for the new agency.

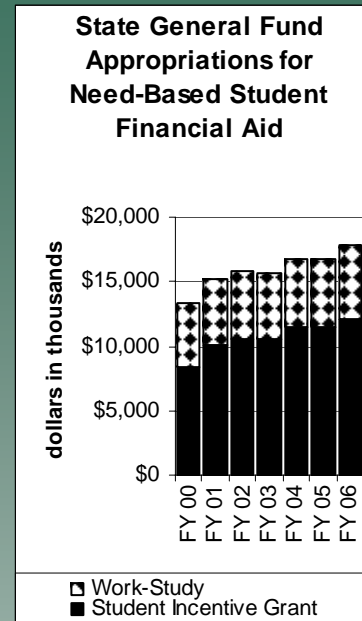
Common Course Numbering and Articulation. Chapter 272 (Senate Bill 161) requires New Mexico colleges adopt common course numbers for lower-level courses to make it easier for stu-

dents to transfer among New Mexico postsecondary institutions.

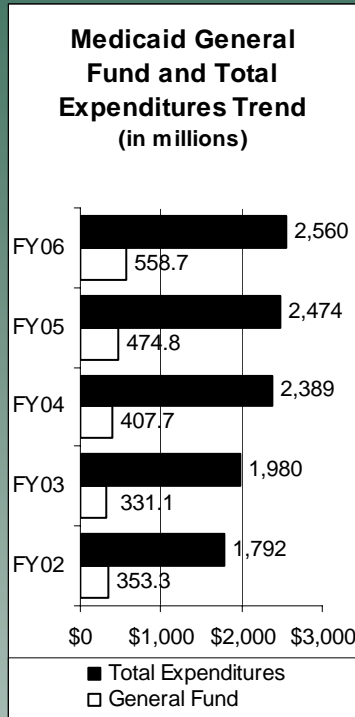
Financial Aid and Tuition Benefits. The Legislature extended authorization for post-secondary institutions to charge in-state tuition for certain eligible Native American students in Senate Bill 482, enacted as Chapter 155. Chapter 348 (Senate Bill 582) prohibits these institutions from denying college benefits to immigrants. The legislation allows the institutions to charge certain eligible students in-state tuition and extends eligibility for state student financial aid. Chapter 168 (Senate Bill 921) extends in-state tuition to National Guard and other qualifying military families, dependents, and survivors.

State student financial aid from general fund sources will be up \$1.1 million in FY06, when compared with the prior year. Chapter 192 (Senate Bill 669), the College Affordability Act, provides for a new program to “encourage New Mexico students with financial need to attend and complete educational programs at public, post-secondary educational institutions in New Mexico.” Chapter 161 (Senate Bill 746) authorizes increased permanent fund transfers for the New Mexico Military Institute to enhance its legislative scholarship program. Chapter 136 (House Bill 509) authorizes creation of the nurse educators fund to aid working nursing students; a small appropriation for the new fund is included in Chapter 34 (Senate Bill 190). Senate Joint Memorial 74 directs the Legislative Council to appoint an interim committee to study the lottery tuition scholarship program and make recommendations by December 15, 2005.

Branch Campuses and Community Colleges. Chapter 40 (House Bill 405) extends branch campus status to the Ruidoso campus of Eastern New Mexico University, currently classified as an instructional center. Chapter 304 (Senate Bill 594) changes the name of the Northern New Mexico Community College and



HEALTH AND HUMAN SERVICES



The Legislature made funding for public health and human services a high priority in the 2005 session, appropriating \$108.5 million, or about 34 percent, of new recurring General Appropriation Act (GAA) funds to this sector. In all, the FY06 budget contained more than \$1.1 billion from the general fund for health and human services, including the Human Services Department (HSD), Department of Health (DOH), and Children, Youth and Families Department (CYFD), as well as other related agencies.

Medicaid. Medicaid was the primary beneficiary of new general fund support in the health and human services area, with most of the increased funds going to replace federal funding cuts. In all, general fund support for Medicaid, including all costs of the HSD Medical Assistance Division, increased \$79.5 million, or 16.2 percent, in the GAA for FY06 from the FY05 level.

The FY06 general fund appropriation to the Medicaid program is \$558.7 million. Including all state revenues and federal funds, total estimated Medicaid appropriations increased to \$2.56 billion in FY06. Increased state spending on Medicaid is primarily attributable to a reduction in the effective federal match for Medicaid from 75.32 percent in FY05 to an anticipated 72.88 percent in FY06. The Legislature appropriated about \$60 million more from the general fund just to maintain the program at the current levels. This leaves a relatively small effective change of \$19.5 million of the \$79.5 million to account for enrollment, utilization, and general inflation associated with the program. At this level of funding growth, HSD may be required to implement expenditure control strategies to ensure that costs do not exceed the appropriation. The same federal funding changes require additional general fund support for Medicaid programs in CYFD, DOH and other agencies.

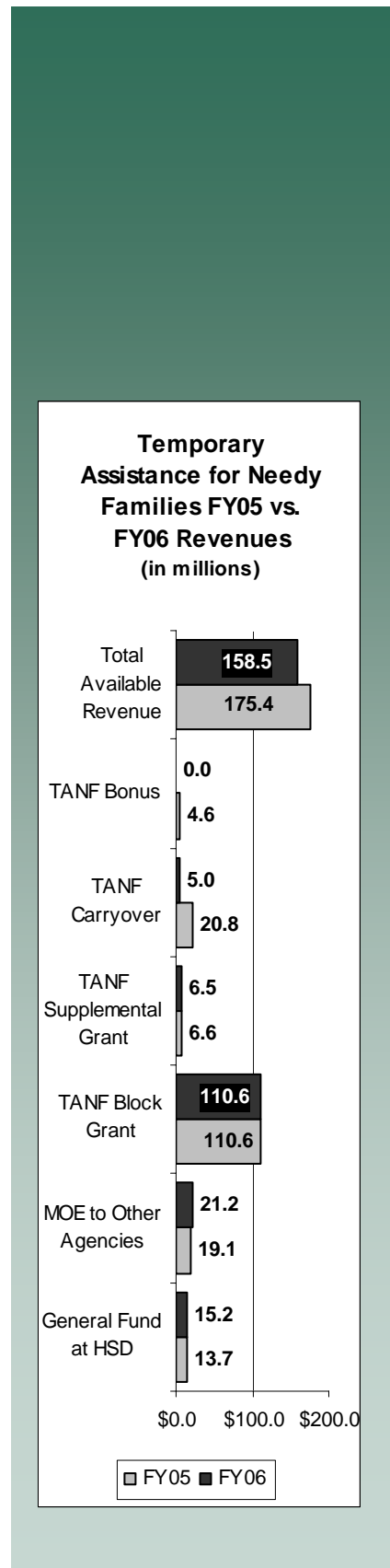
The DOH FY06 operating budget includes an additional \$5 million from the general fund to offset the projected federal funding decrease. While this is lower than the HSD estimate of \$6.5 million, DOH indicates it is a more reasonable number and will fill the gap to continue services for the developmentally disabled Medicaid waiver clients.

Chapter 243 (House Bill 318) appropriates \$2 million from the general fund to Aging and Long Term Services Department (ALTSD) to provide home- and community-based services to Medicaid-eligible clients with brain injuries. The state money

will be matched by more than \$5 million in federal dollars from the Medicaid program. There is an emergency clause making the funds available for FY05 and FY06.

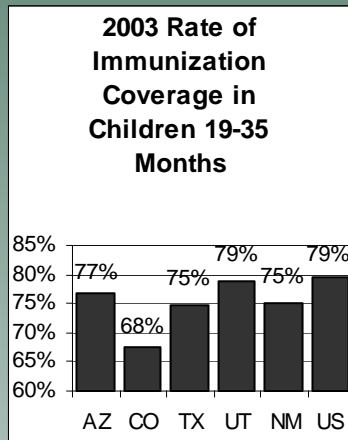
State Coverage Initiative. The Medicaid appropriation includes \$4 million from the general fund for the implied expansion of the State Coverage Initiative (SCI). The SCI program, initiated by the executive and authorized by a Health Insurance Flexibility Waiver under Section 1115 of the federal Social Security Act, will offer affordable healthcare coverage to low-income working adults primarily through an employer-based system. SCI will be available to employees or individuals who have not voluntarily dropped health insurance in the last six months and to employers who have not voluntarily dropped health insurance to their employees in the last 12 months. Eligibility is based solely on income at up-to-200 percent of the federal poverty level, or \$18.6 thousand a year for an individual. There are no limitations for pre-existing conditions. Employers pay about \$75 per month and employees between nothing and \$35 per month based on income. Likewise, co-payments will be on an income-based sliding scale. The state share is eligible for an enhanced federal match under the State Children’s Health Insurance Program (SCHIP) of 80.36 percent. Thus, the \$4 million state share will generate federal funds of over \$16.4 million that will be added to the private share to form the final total available for the program. Implementation is targeted for July 1, 2005, with managed-care organizations providing the services for a monthly premium that has yet to be determined.

Temporary Assistance for Needy Families. The challenge for the Temporary Assistance for Needy Families program (TANF) is to continue services in the face of a little or no increase in federal funds. Rather than requiring an annual appropriation, the 1996 federal law that created TANF provided for mandatory block grants to the states totaling \$16.5 billion each year for six years through federal fiscal year 2002. Congress has extended this authorization for varying lengths of time since then. The eighth and latest extension occurred September 30, 2004, for the six-month period from October 1, 2004, to March 31, 2005. For the TANF program to continue, Congress must pass reauthorizing legislation before March 31, 2005. The block grant is a flat dollar amount not adjusted for inflation. As a result, the real value of the block grant has fallen by 15 percent over the years. It is not anticipated the federal block grant will increase upon reauthorization but work requirements for cash assistance



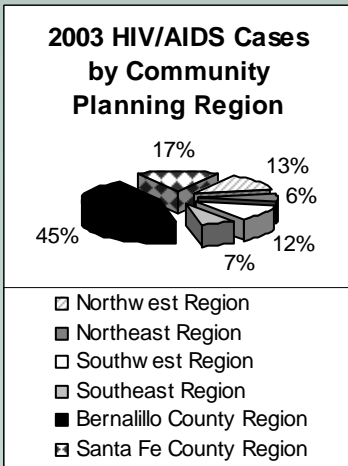
recipients might become more stringent, putting even greater fiscal pressure on the program.

Total funding for TANF declined in FY06 by \$16.7 million, with \$15.8 million resulting from a loss in federal funds available in FY05 from an exhausted federal carryover (see Appendix L). Another \$4.6 million reduction occurred from the absence of a bonus award in FY06, for a total federal funds reduction of \$20.4 million. The reduction was partially offset by a \$1.5 million increase of general fund appropriations to HSD. In addition, the Legislature used \$10.3 million in general fund revenues to replace \$3 million in federal TANF funds that had been used for early childhood development programs at PED, \$1.3 million for teen pregnancy programs at PED, \$4 million for full-day kindergarten at PED, and \$2 million for adult protective services at the Aging and Long-Term Services Department.



Childhood Immunizations. New Mexico lags behind the country in up-to-date immunizations (currently only 75 percent of New Mexicans are fully vaccinated). To narrow the gap, the Legislature passed House Bill 180, enacted as Chapter 45, allowing pharmacists to access the immunization registry, and appropriated an additional \$1 million for immunization services and drugs.

Hepatitis C. The Legislature appropriated \$1 million for start-up expenses for the hepatitis C collaborative health services project among DOH, the Corrections Department, and the University of New Mexico Health Sciences Center. Additionally, Chapter 347 (House Bill 885) includes \$100 thousand for technology and other equipment for this project.



Substance Abuse. The General Appropriation Act includes an expansion of \$1 million from the general fund and an expected \$4 million from matching federal funds for substance abuse programs, such as intensive outpatient programs, peer support services, and funding for a “damp house,” a low-level halfway house.

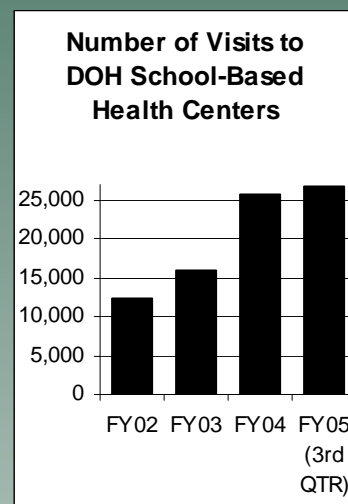
HIV/AIDS. The Legislature increased general fund support for HIV/AIDS services by \$1 million to reach a total of approximately 1,800 HIV/AIDS patients in the state. The Legislature adopted Senate Bill 313, enacted as Chapter 5, and Senate Bill 314 enacted as Chapter 6, to create the governor’s HIV and AIDS Commission and the Billy Griego HIV and AIDS Act. The commission will consist of 23 members and will serve as the planning and advisory group to DOH HIV/AIDS programs. The Billy Griego HIV and AIDS Act requires DOH to coordi-

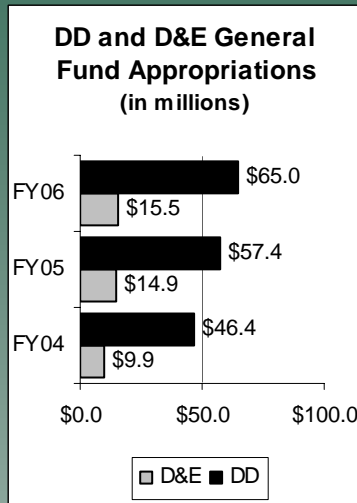
nate HIV/AIDS services among all agencies, provide education, prevention and treatment services, administer the federal Ryan White grant, and provide clinical services, drug assistance, and insurance assistance. The bill also creates a medical advisory committee to review the HIV/AIDS drug formulary and policies. Finally, the bill creates a constituent services program. In addition to recording and reviewing all complaints, the constituent services program will review all fiscal matters and include expenditures along with activities in its annual report.

School-Based Health Centers. Currently, DOH runs 34 school-based health centers. The centers are evenly split between urban and rural communities. School-based health centers provide an accessible location in schools where students can receive a wide variety of medical and behavioral health and preventive care services. The executive proposed increasing funding \$3 million for this purpose. The Legislature added a nonrecurring special appropriation of \$2 million from the general fund to almost double the number of centers in New Mexico.

Aging Network. The aging network, a community network for the aging population, received \$1.7 million from the general fund, which will go to the communities for senior volunteer services, senior employment programs, and legal services for senior citizens. Some of the programs include respite care, adult day care, assisted transportation, home repair, nutrition education, Senior Olympics, and the foster grandparent program. Additionally, a separate appropriation of \$300 thousand creates an emergency reserve for the network.

Zero Tolerance of Elder Abuse. The Legislature provided 5 additional permanent FTE and \$300 thousand in the Long-Term Services Program of the ALTSD to expand the governor's zero-tolerance for elder abuse, neglect and exploitation program, targeted at increasing enforcement activities against poorly run nursing homes.





Transfer of Adult Protective Services. As part of a reorganization enacted by the Legislature in 2004, CYFD transferred the Adult Protective Services Program (\$8.8 million from the general fund and \$3.2 million in federal funds in FY06) to ALTSD. ALTSD also received \$2 million from the general fund to replace unavailable federal TANF funding for this program and an additional \$200 thousand from the general fund to assist ALTSD with operating costs.

Lewis and Jackson Lawsuits. The Legislature appropriated an additional \$2 million to increase compliance with the Lewis lawsuit, which requires that, when a slot in the Medicaid waiver program for the developmentally disabled opens, the state move individuals from a waiting list into the program within 180 days. This money can be used over a two-year period to facilitate a smooth and seamless expansion of services for clients. The Legislature also provided an additional \$330 thousand for compliance with the Jackson lawsuit, which mandates that persons with developmental disabilities have a right to live in an integrated community setting as opposed to a state facility.

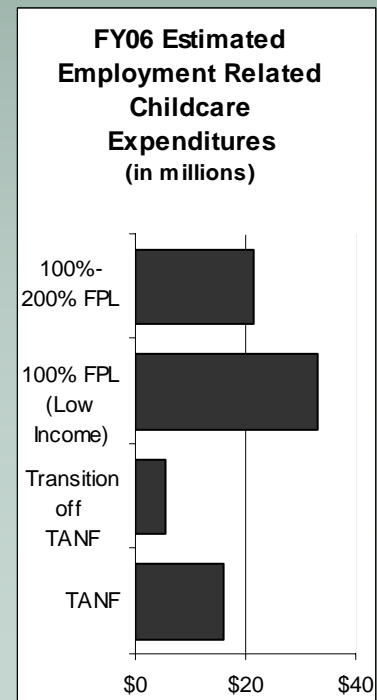
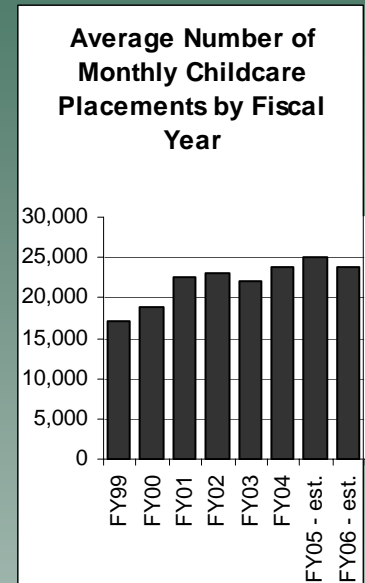
Fort Bayard Medical Center. Chapter 317 (Senate Bill 1055) offers DOH the option of contracting with a private company, or facility owner, to manage Fort Bayard Medical Center (FBMC) or to construct a replacement facility in Grant County. The bill also exempts these agreements from the Procurement Code. The Attorney General's Office notes exemptions from the Procurement Code are general in nature and this bill sets a precedent for more specific exemptions. If DOH chooses the contract option, the bill requires all current and future employees, with the exception of the management employees of the contractor, remain state employees subject to State Personnel Office rules and responsibilities, including collective bargaining. Additionally, DOH will still be responsible for the existing physical plant. If DOH chooses the replacement facility option, the General Services Department indicates it would have to look for another tenant for the existing FBMC and provide necessary maintenance. Chapter 320 (Senate Bill 289) includes \$4 million for improvements at FBMC.

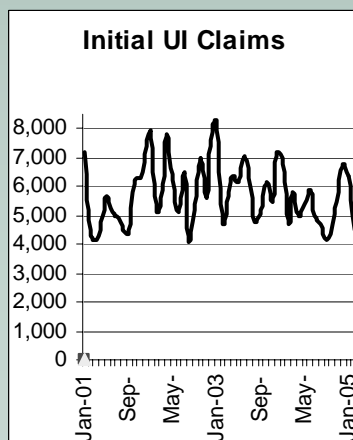
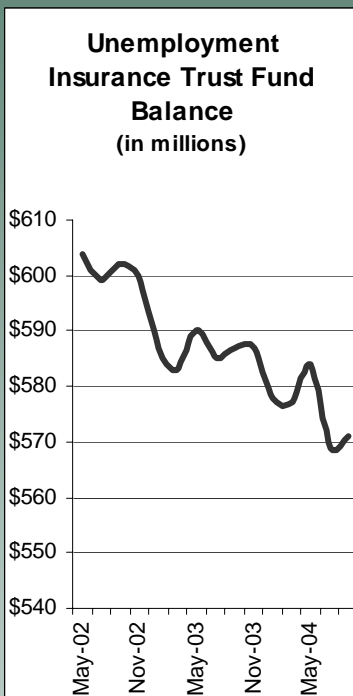
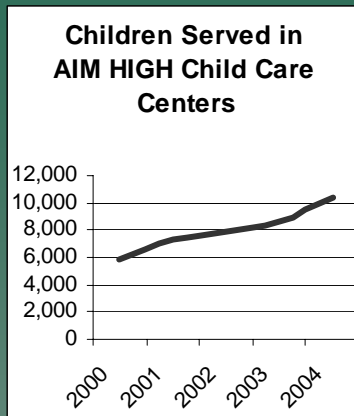
Workforce Development. Chapter 111 (House Bill 98) codifies Executive Order 2004-04 of January 22, 2004, transferring responsibility for administration of federal Workforce Investment Act (WIA) funds from the New Mexico Labor Department (NMDOL) to the newly created Office of Workforce Training

and Development (OWTD). The transfer of the WIA program to OWTD involves \$22 million in federal funds, 38 FTE, and \$800 thousand from the general fund for statewide at-risk youth programs. Moreover, plans are underway to transfer the administration of the TANF program to the local WIA boards.

The bill also provides an opportunity for greater coordination and performance outcomes for employment and training programs. The legislation establishes a “coordination and oversight” committee for the State Workforce Development Board made up of the secretaries of NMDOL, HSD, the Economic Development Department, PED, and the newly created Department of Higher Education to develop joint comprehensive goals and a strategic plan. LFC and the Department of Finance and Administration (DFA) supported the legislation as a precursor for integrating services in field offices in order to avoid public confusion, administrative inefficiency and the duplication of services. Under WIA, required partners play a key role in the sponsorship and delivery of workforce development services, particularly in coordination with the one-stop centers where employers and prospective workers can find what they need in one location. About 17 programs funded through four federal agencies are required to provide services through one-stop centers.

Family Services Program. The Legislature cut \$3 million in funding for subsidized child care, money CYFD is expected to save by eliminating subsidized slots for families earning more than 150 percent of the federal poverty level, or about \$33 thousand a year for a family of four. Those families had been served when the income limit for the program was briefly set at 200 percent of the poverty level and then allowed to stay in the program – “grandfathered in” – when the rate was lowered to 150 percent of the poverty level. Half of the savings, or \$1.5 million, were appropriated by the Legislature to equalize the reimbursement rates for childcare providers in urban and rural areas, a move the department says will allow it to expand efforts to improve the quality of child care through its Aim High program. Another part of the savings are for a voluntary nurse home-visiting program for families earning less than 235 percent of poverty, or \$51.7 thousand a year for a family of four. That portion is expected to draw a federal match from SCHIP of \$1 million. Studies have indicated that families living in low socioeconomic conditions are more successful with properly designed home-visit programs, with fewer families developing drug-related problems or relying on public assistance. The total general fund appropriation for





child care is approximately \$76 million. It should also be noted a \$5 million pilot pre-kindergarten program was authorized by the Legislature and CYFD is authorized to use half those funds to contract for preschool services.

Chapter 68 (House Bill 97) amends the Family Preservation Act, renaming it the Family Support Act. The bill outlines the state’s policy of support for the family and emphasizes the responsibilities of parents and the state in the healthy development of children and the family as an institution. Chapter 65 (Senate Bill 614) creates the next generation fund for projects that provide positive child and youth development activities that support physical, mental, and social well-being. A special appropriation provides for \$2 million from the general fund for the Children’s Trust Fund to support the next generation fund. Chapter 34 (Senate Bill 190) provides \$645 thousand from the general fund to support domestic violence programs in the state. Chapter 189 (Senate Bill 233) enacts many procedural and substantive amendments to the Children’s Code in areas involving delinquency, child abuse and neglect, and family services. Finally, Chapter 64 (Senate Bill 435) establishes the Children’s Cabinet in law, until now a group created by executive order, and administratively attaches it to the Office of the Governor. The cabinet comprises the governor, the lieutenant governor and agency heads of the Children, Youth and Families, Corrections, Human Services, Labor, Health, Finance and Administration, Economic Development, Public Safety, Aging and Long Term Services, Indian Affairs, and Public Education departments.

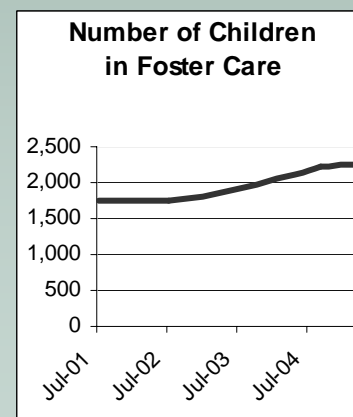
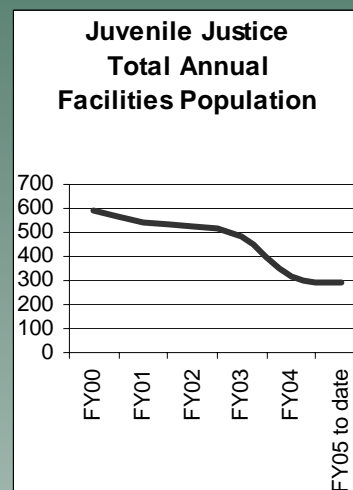
Unemployment Insurance and Trust Fund. Chapter 3 (House Bill 9) reinstates the more generous benefits and reduced tax rates enacted in 2003 that expired under a “trigger” in the original legislation that terminated the changes if the trust fund balance, into which unemployment taxes are deposited, fell below a certain threshold. Although the fund balance dropped, legislators felt the fund was sound enough to continue the benefits and tax rate changes. Specifically, the legislation allows fulltime students and workers seeking part-time work to collect benefits, provides an enhanced benefit for unemployed workers with dependents, provides benefits for victims of domestic violence, reduces the tax rate for new employers to 2 percent, allows for employers to use a favorable employment history in another state to lower their tax rate in New Mexico, and eliminates the unemployment tax for employers with a good experience rating. NMDOL estimates these provisions will increase benefits ap-

proximately \$28 million and decrease taxes approximately \$26 million per year. The unemployment trust fund balance is approximately \$562 million.

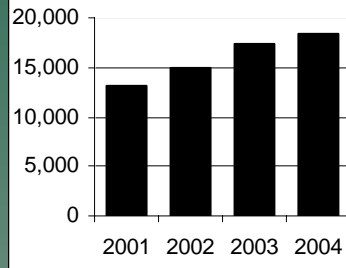
Excess Capacity in Juvenile Justice Facilities. The FY06 general fund appropriation for the Juvenile Justice Program is \$532 thousand less than the FY05 level. The reduced appropriation is due to a decline in the number of juveniles in custody, the department's shift to front-end, community-based services and the consolidation of facilities.

Additionally, funding was made available for operation of Camp Sierra Blanca. CYFD submitted a request for proposals to develop the camp as a 48-bed transitional living facility. Services will be provided to clients identified and referred by CYFD or Children's Court. Eligible youth may include adjudicated juveniles on probation, parole, or committed to CYFD custody that require a 24-hour therapeutic setting to meet their developmental, social, and emotional needs. Capital outlay funds of \$900 thousand were provided to upgrade facilities at Camp Sierra Blanca. Moreover, the department received capital outlay funds of \$2 million for upgrades at the New Mexico Boys' School in Springer and at the Youth Diagnostic Detention Center in Albuquerque.

Child Protective Services. The Child Protective Services Program received an increase of \$4 million from the general fund. In the last year, this program experienced a 16 percent caseload growth. This funding increase allows for an additional 15 social workers. Additionally, the agency received \$1.7 million for the foster care caseload increase. Because of enhanced screening of child abuse and neglect reports, more reports are investigated and more children are being placed in foster care to ensure their safety and well-being. Lastly, the department received \$855 thousand to cover the cost of children in treatment foster care, previously covered under Medicaid. In addition, the Legislature provided a special appropriation of \$2.37 million from the general fund for legal costs associated with the Joseph A. class action suit. The case was originally filed in 1980 and resulted in federal court oversight of CYFD's child protective services system for the last two decades. U.S. District Judge John Conway dismissed the case on February 24, 2005, based on CYFD's compliance with a stipulated exit plan. The special funding will pay for the costs of monitoring program compliance with the exit plan. Chapter 26 (Senate Bill 225) addresses potential conflicts between the Safe Haven Act as written, the Indian Child



**Accepted Child
Protective Service
Reports**



Welfare Act, and the constitutional rights of parents. Finally, to protect these clients, Chapter 271 (Senate Bill 91) authorizes CYFD to obtain nationwide criminal history records on all CYFD current and prospective employees who have direct contact with children and families.

PUBLIC SAFETY

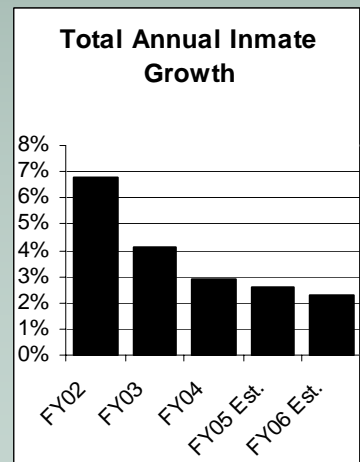
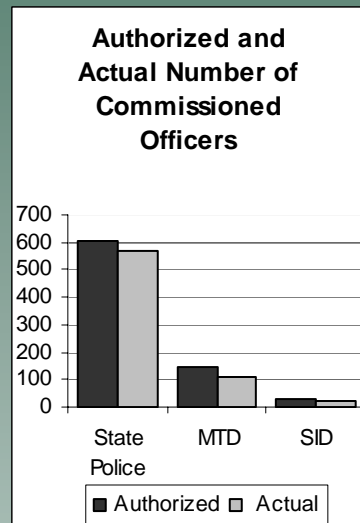
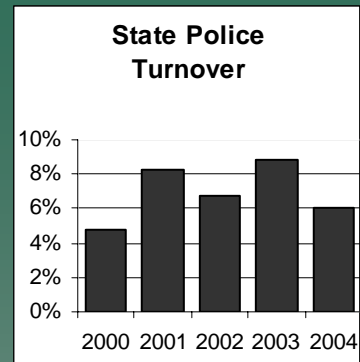
In the 2005 session, the Legislature addressed several critical needs of public safety agencies, including paying life insurance premiums for members of the New Mexico National Guard called to active duty, increased pay for state police officers and funding for prison population growth.

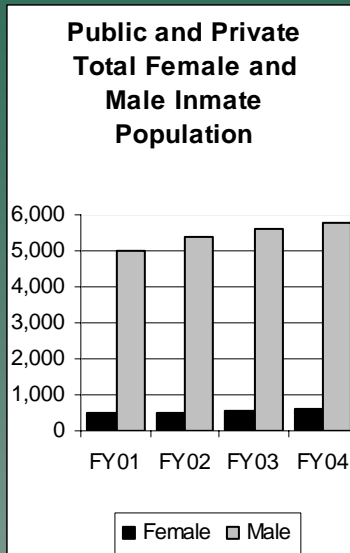
National Guard Life Insurance Reimbursement. To acknowledge the service of the National Guard, the Legislature appropriated \$1 million from the general fund to create the service members' life insurance reimbursement fund in the State Treasurer's Office, which provides the guard members refunds for paid premiums for federal Service members Group Life Insurance (SGLI). This appropriation will refund the monthly premiums of \$16.25 for 4,300 New Mexico National Guard members, with an SGLI policy currently limited to \$250 thousand for five quarters.

Department of Public Safety. The Legislature appropriated a total \$128.6 million to the Department of Public Safety (DPS) in section 4 of the General Appropriation Act, of which \$74.1 million is from the general fund. The Legislature provided for a 5.9 percent pay increase for state police officers and assumed a greater share of the cost of employee health insurance for an effective total compensation increase to state police of 7.3 percent. (For additional details, see the section on compensation in this document.)

New Mexico Corrections Department. The total FY06 appropriation for the New Mexico Corrections Department (NMCD) is \$234 million, of which \$211 million is from the general fund. This is approximately a 2 percent increase from the FY05 operating budget. The appropriation includes \$30 million to provide healthcare services for inmates and \$55 million to pay for inmates housed in private facilities.

Inmate Growth and Prison Capacity. The Legislature appropriated funding for an average of 6,621 inmates in FY06 based on the current inmate growth rate of 2.3 percent. Additionally, the department was provided authority to access up to \$750 thousand from the appropriation contingency fund if the inmate population exceeds the number funded within the department's operating budget. As of February 17, 2005, 122 general population beds were available. At the 2.3 percent growth rate, NMCD will need more capacity in a year or less. Senate Joint Memorial 11 requires NMCD to examine the need for, feasibility of, and other issues regarding the possible expansion of the





Guadalupe County Correctional Facility by 52 cells to accommodate an additional 104 inmates and to report its findings and recommendations, if any, to the Legislature during the 2007 session.

Population Control. The General Appropriation Act contains an appropriation of \$277.4 thousand contingent upon passage of Senate Bill 600 that would have amended Section 33-2-24, NMSA 1974 to provide for a maximum of 30 days per month “good time,” or good behavior sentence deductions, to prisoners convicted of nonviolent offenses following a parole revocation for reasons other than alleged commission of a new offense or absconding from parole. Senate Bill 600 did not pass.

Probation and Parole Staffing. The Legislature appropriated \$250 thousand to provide probation and parole officers of NMCD a minimum salary increase of 3.25 percent in addition to pay increases provided to all state employees.

Homeland Security Funding. In FY06, the Department of Public Safety (DPS) will receive \$24 million from the federal homeland security grant through the federal Office of Domestic Preparedness. However, President George Bush’s budget request for federal fiscal year 2006 eliminates the State Homeland Security Grant Program. To clarify and codify the structure of the state’s homeland security program, the Legislature passed House Bill 891 that would have replaced the existing homeland security advisor in the Governor’s Office with an agency director in a newly created Office of Homeland Security, and defined the duties of the Office of Homeland Security. The Governor vetoed this bill, because the Office is already established by executive order.

Increased Support for District Attorneys. In the General Appropriation Act, the Legislature increased general fund support for the district attorneys as a whole by \$2.3 million, or 5.3 percent, to \$45.1 million.

District Attorney and Public Defender Expansions for Additional Judgeships. In the 2005 session, the Legislature created eight new judgeships (discussed in greater detail in the section on courts in this volume). The General Appropriation Act contains \$699.9 thousand and authorizes 12 new positions for prosecutors. It also appropriates \$550 thousand and authorizes eight new positions for the Public Defender Department related to the additional judgeships. (See Appendix M for further information about the new judgeships.)

Recruiting and Retaining Quality Public Sector Attorneys.

One concern that emerged during budget deliberations was that prosecutors and public defenders were having difficulty recruiting and retaining quality attorneys based on current salaries. To address this situation, the Legislature provided a 5 percent salary increase for all attorneys in the district attorney offices and Public Defender Department.

Additionally, the Legislature passed Senate Bill 258, enacted as Chapter 83, creating the Public Service Law Loan Repayment Act. The act authorizes a fund that would be used to help attorneys in public service jobs through a loan-for-service program repay their legal education loans. The assistance would be available to attorneys licensed in New Mexico who declare an intent to practice with the Public Defender Department, a New Mexico district attorney office, or a tax-exempt civil legal service organization that serves the indigent. The assistance program gives preference to applicants who work in underserved areas of New Mexico in greatest need of attorneys in the public sector. The program is intended to alleviate the debt burden on New Mexico's law school graduates and to address the district attorneys' and Public Defender Department's difficulties in recruiting and retaining quality attorneys. Although a \$500 thousand appropriation was included in the introduced legislation, the appropriation was stripped in the version passed by the Legislature and signed by the governor, leaving the program unfunded.

NATURAL RESOURCES

In the General Appropriation Act, the Legislature increased recurring general fund support for natural resources agencies by \$5.3 million. These appropriations support continued water compact compliance activities in the Pecos River Basin, the establishment of a strategic water reserve, dam rehabilitation projects both by the State Engineer and the Department of Game and Fish (DGF) and continued implementation of the State Engineer's active water resources management initiative. The Legislature also appropriated funds to the Energy, Minerals and Natural Resources Department (EMNRD) for state park expansion projects and trails construction in the Rio Grande bosque north and south of Albuquerque as well as renewable energy programs initiated in FY05. The Legislature provided general fund and game protection fund support to DGF for capital improvement projects.

Water. The Legislature devoted particular attention and resources to compliance with the Pecos River compact that governs New Mexico deliveries of river water to Texas. The Legislature appropriated an additional \$3.37 million to support compact compliance activities in the Pecos River Basin and reauthorized expenditure of \$30 million appropriated for this purpose in 2004. An additional \$12 million appropriation was included in Chapter 347 (House Bill 885) to purchase water rights and land and make related infrastructure improvements to implement the long-term compliance strategy. To further address compact compliance activities, the Legislature enacted Chapter 182 (House Bill 195) creating the strategic water reserve (SWR) providing for the purchase, lease or donation of surface water or water rights or storage rights to make up the reserve. Underground water and water rights may also be acquired to implement a cessation of pumping or for limited stream augmentation. An appropriation of \$2.8 million to initially fund SWR is contained in Chapter 347. The Legislature also created a new revenue stream for water rights adjudication. Chapter 293 (House Bill 1110) requires that 10 percent of all funds deposited in the water project fund be dedicated for water rights adjudication. Of the 10 percent, 80 percent, or about \$1.44 million, would go to the State Engineer, with the remainder allocated to the Administrative Office of the Courts for costs associated with the adjudication. A question has arisen as to whether bond monies may be expended for these purposes. NMFA and the state Board of Finance will make a final determination prior to July 2005.

Questions regarding Indian water rights have emerged in federal and state government, particularly with regard to compensation for water. Chapter 172 (Senate Bill 172) creates the Indian water rights settlement fund and provides for legislative approval for expenditures from the fund. At present, the state is not able to assure the settlement parties and Congress that the Legislature approves of a settlement and guarantees state funds will be made available on the schedule required by a settlement. Chapter 172 allows the Legislature to provide the various parties and Congress with a statement of legislative approval so the parties may proceed prior to submitting a settlement to Congress. This prior approval also gives the Legislature the option to set aside the state's portion of funds over a number of years instead of making lump sum appropriations at the conclusion of a settlement.

Dam safety issues statewide were addressed with general fund appropriations of \$2.4 million to the State Engineer and game protection fund appropriations of \$3.53 million in Chapter 347.

Finally, the Office of the State Engineer continues to rely on nonrecurring special appropriations to fund an extraordinary number of term employees in agency programs. The Legislature in 2004 addressed this in part with an appropriation of \$1.4 million to convert 29 term positions to permanent status. The Legislature in 2005 continued this effort with an increase of \$2 million from the general fund to convert an additional 38 positions, leaving 18 term positions remaining. These 18 positions are funded with a special appropriation for FY06. The Legislature also provided additional personnel in the Las Cruces office to address the backlog of water rights applications.

Game and Fish. Since FY01, the game protection fund has provided approximately \$16.2 million for projects, including construction of the DGF headquarters building, purchase of Eagle Nest Lake, construction at Red River hatchery, construction of the warm water hatchery at Santa Rosa, Eagle Nest dam repair, and clean up at Terrero Mine. In FY05 DGF will spend an additional \$1 million for continued repair activities at Eagle Nest. As a result of these projects, the fund balance declined from \$25 million to approximately \$8 million. In addition, DGF expenditures continue to outpace revenues annually by approximately \$1 million. Chapter 74 (Senate Bill 16) will increase resident, nonresident and temporary hunting and fishing fee revenues by \$1.5 million in FY06 and \$4.5 million in subsequent years. Based on increased revenues, an additional \$975

thousand was included in the General Appropriation Act for salary adjustments based on a proficiency and capability compensation plan developed by DGF in conjunction with the State Personnel Office. The Legislature also appropriated \$5 million to DGF in Chapter 347 (House Bill 885) for land and conservation easements to comply with Endangered Species Act and to acquire property with unique ecological value, protect open space, and improve wildlife protection areas statewide. Both of these expenditures are expected to have significant impacts on the game protection fund. DGF projects the fund to fall into a negative position by FY10 if some of these pressures are not alleviated.

Chapter 177 (House Bill 78) allows for the imposition of a “habitat management stamp” of \$3 dollars per holder of a hunting or fishing license. Approximately \$900 thousand will be generated annually to improve, maintain, develop, and operate property for fish and wildlife management.

The executive proposed an initiative to allow expanded use of game and fish properties statewide for recreation purposes other than hunting or fishing. Chapter 173 (Senate Bill 145) provides for this use and for issuance of permits, licenses, and other authorizations for access. Approximately \$100 thousand annually is expected to be generated from these activities, revenues that will be used for improvements on these same properties.

Construction of a warm water hatchery near Santa Rosa will begin in FY05. An additional \$1.2 million was appropriated in Chapter 347 to continue this project. Currently, DGF buys fish from out-of-state hatcheries at considerable cost. It is expected that this hatchery will meet all of the warm water fish supply needs of DGF.

State Parks. The Legislature made additional appropriations in the 2005 session to support operations at the Vietnam Veterans Memorial, make improvements to parks statewide, and begin acquisition and development activities at Shakespeare Ghost Town and Cerrillos Hills. In addition, the Legislature approved Senate Joint Memorial 16 requesting the State Parks Division expand operations at City of Rocks, Living Desert, Conchas Lake, and Oasis state parks. The General Appropriation Act also reauthorizes the expenditure of previous appropriations for park expansion statewide and for the completion of Mesilla Valley State Park. With the exception of Mesilla Valley State Park, operational funding is not included for state park expansion.

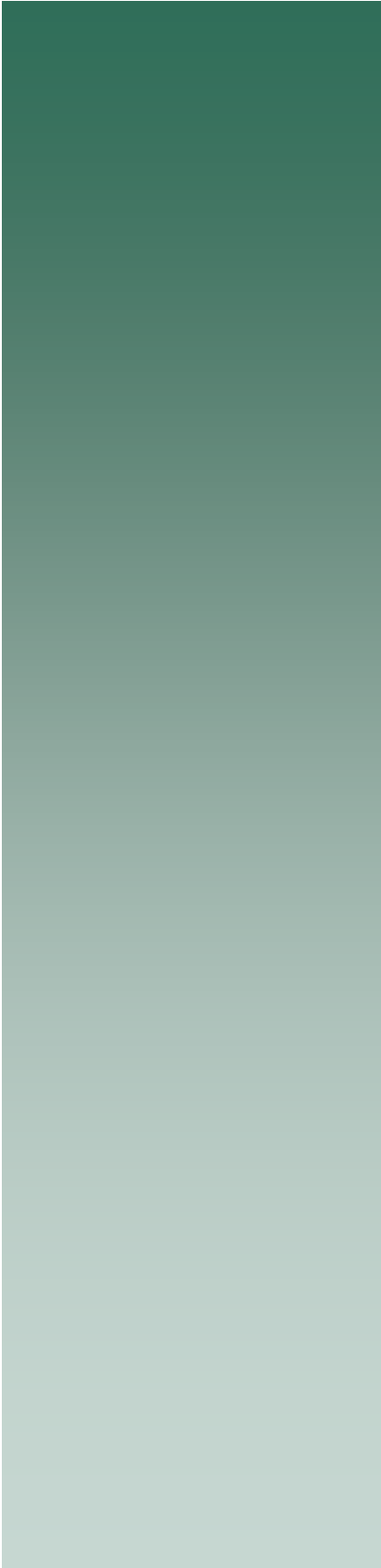
Chapter 54 (Senate Bill 468) authorizes the State Parks Division to acquire lands adjacent to existing state parks without legislative approval, provided that adequate funding is available, governmental entities are consulted, and EMNRD receives approval from the Board of Finance. Acquisition of property for new parks continues to require legislative approval.

Energy. Renewable energy initiatives, which continue to be a priority of the executive, received appropriations of \$3 million in Chapter 347 for hydrogen fuel projects, energy efficiency renovations and clean fuel facilities. Additionally, previous appropriations were reauthorized in the General Appropriation Act to continue the clean energy grant program.

The Energy Efficiency and Renewable Energy Bonding Act, Chapter 176 (House Bill 32), funds energy efficiency measures in state and public school district buildings with proceeds of bond sales. Additionally, ninety percent of the calculated savings from the energy efficiency measures, repaid initially by gross receipts taxes, will be withheld from the participating agency and deposited in the energy efficiency and renewable energy bonding fund. Revenues in the fund are used to make debt service payments on bonds sold. Amounts remaining in the fund at the end of a fiscal year revert to the general fund. As a result of this reversion, it is expected this program will be revenue neutral.

Food Inspection Permit Fees. Chapter 218 (House Bill 455) allows the Environmental Improvement Board to increase fees for license issuance and renewal under the Food Service Sanitation Act such that no fee would be less than \$100 or more than \$200 annually for a food service establishment with not more than a \$25 incremental increase per fiscal year. Previous statute set the minimum at \$75 and the maximum at \$100 annually for a food service establishment and sets no maximum rate of increase. A future increase of \$25 in the permit fee would generate approximately \$160 thousand in revenues per year for the food service sanitation fund to the Environment Department to support food inspection activities to reduce food-borne illness.

Utility Operator Certification. About 37 percent (626 of 1,700) of New Mexico's public water systems are in violation of state statute and the federal Safe Drinking Water Act because they lack required certified water operators. Chapter 285 (House Bill 153) moves the administration and enforcement of the Util-



ity Operators Certification Act from the Water Quality Control Commission (WQCC) to the Environment Department (NMED), allowing NMED to suspend or revoke a certification under specified circumstances, enforce compliance orders, and conduct public hearings pursuant to appeals and maintain a record of enforcement actions. Chapter 285 also revised fees under the act to generate about \$70 thousand more annually to the public water supply system operator and public wastewater facility operator fund.

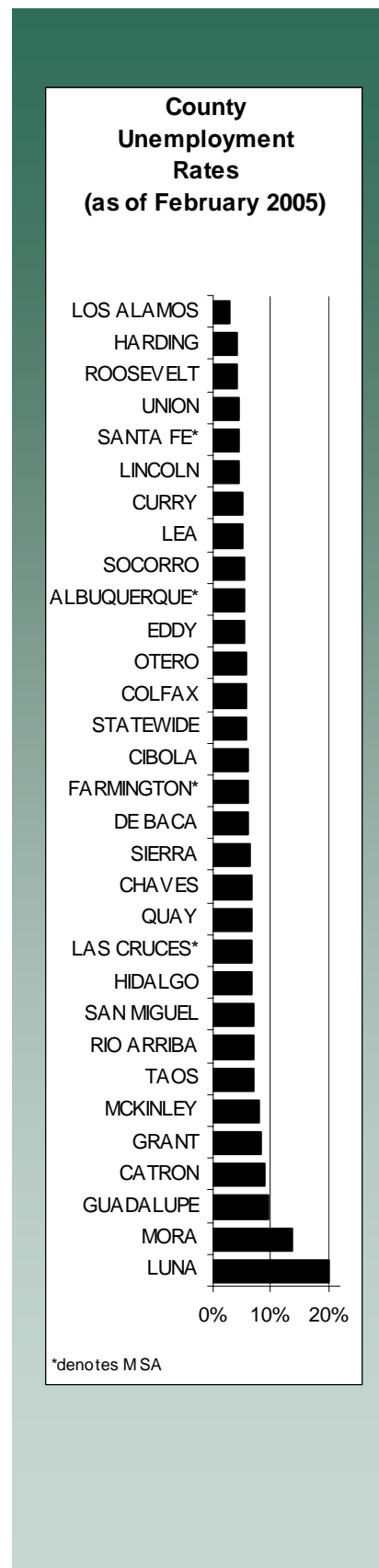
ECONOMIC DEVELOPMENT

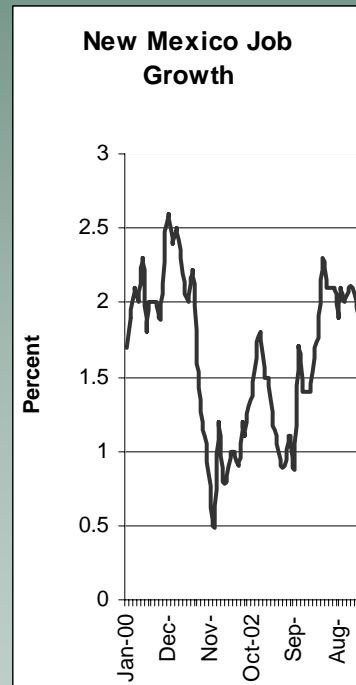
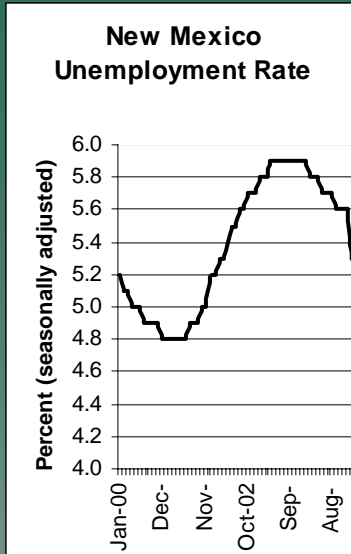
Outsourcing Economic Development. Economic Development Department's (EDD) strategy of outsourcing its core activities gained further fiscal support during the 2005 session with a special appropriation of \$1 million in the General Appropriation Act for continued funding of the Economic Development Partnership, a board of experienced business people and economic development professionals focused on recruiting new businesses to New Mexico. This funding is contingent on the partnership securing \$100 thousand in private funding, as required by statute (Section 53-7A-5 NMSA 1978).

Division of International Trade. Chapter 57 (Senate Bill 35) creates a Division of International Trade within the department and provides for a division director and an additional FTE to coordinate the state's trade relations with other countries. According to EDD, the recurring fiscal impact of this new division will be \$155 thousand.

Spaceport Authority. On the heels of attracting the X Prize Cup, an annual competition for reusable space vehicles to promote space tourism, to New Mexico, Chapter 128 (House Bill 419) enacts the Spaceport Development Act, creates the Spaceport Authority to foster the development of spaceport facilities in the state, creates the Spaceport Development Fund, allows the Spaceport Authority to issue revenue bonds, and creates the statutory framework for the development and operation of the Spaceport Authority and associated spaceport facilities. The authority is to be administratively attached to EDD, though the relationship between EDD's Office of Technology and Space Commercialization and the Spaceport Authority is not clear. EDD also received re-authorization for \$6.5 million in prior year special appropriations related to spaceport development and the X Prize Cup.

Film Initiatives. Efforts to promote filmmaking in New Mexico met with success in the 2005 session. Chapter 106 (Senate Bill 916) increases the amount that the State Investment Council may invest in New Mexico film private equity funds or a New Mexico film project from 2.5 percent to 5 percent of the market value of the severance tax permanent fund. The bill increases the maximum dollar amount that can be invested in any one New Mexico film private equity fund or any one New Mexico film project from \$7.5 million to \$15 million. EDD also received authorization for two additional positions in the Film Office and related expansion funding for increased film production





recruitment, location scouting, and other operational costs. The Legislature also passed Chapter 101 (House Bill 122) which allowed the State Investment Officer (SIO) to loan up to 80 percent of the expected film production tax credit up to \$7.5 million and deleted current statutory provisions allowing the SIO to purchase a portion of the tax credit.

Job Training Incentive Program. Chapter 102 (House Bill 517) allows skills-upgrade training for existing employees regardless of state residency and allows for pre-employment training for the film and multimedia industry regardless of geographical location of the production. Increased funding and expanded eligibility requirements represent a regular trend in the program's growth.

Tax Incentives. EDD aggressively pursued creation or modification of economic development tax credits to support its activities. These incentives, including the rural jobs tax credit, film production tax credit, small business technology tax credit, and aircraft services gross receipts deductions, were approved by the Legislature in Chapter 104 (House Bill 410). Despite the proliferation of economic development tax incentives, the state has not systematically evaluated these for effectiveness or even catalogued them. LFC and the Taxation and Revenue Department will jointly review economic development tax incentives during the interim.

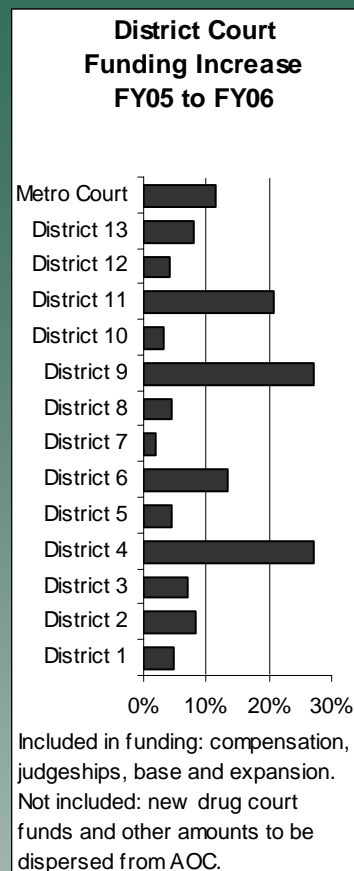
Fiscal year 2006 was proclaimed the “year of the judiciary” by the governor during his state of the state address. As the session unfolded, both the executive and legislative branches proposed initiatives supporting the judicial branch. For the majority of the courts the LFC recommendations for base budgets were incorporated into the adopted FY06 appropriations. The executive, however, recommended 12 new judgeships, of which eight were approved in Chapter 284 (House Bill 901). The new judgeships and associated staff will be in the magistrate courts in Sandoval, Santa Fe and San Juan counties, the 2nd, 9th and 11th district courts, and two will be in the Bernalillo County Metropolitan Court. The Legislature also funded additional staff to meet the highest levels of need demonstrated in a 2004 legislatively-funded staffing study.

In the General Appropriation Act, the courts received increased general fund support of \$7.3 million in FY06, or 7 percent. Additionally, the Legislature appropriated about \$1.84 million in Chapter 284 for the additional judgeships.

Judicial Compensation. The Legislature passed Chapter 85 (Senate Bill 263 85) to create a judicial compensation commission to recommend future judge and justice salaries. In addition to the 1.75 percent salary increase appropriated to most state employees, magistrate clerks will receive additional adjustments to bring their average pay to 90 percent of the midpoint of the salary range. The Legislature also passed Chapter 246 (House Bill 205) that addresses actuarial problems of the judicial retirement fund. (See the “General Government” section for a detailed discussion.)

Water Adjudication Courts. Chapter 293 (House Bill 1110) includes funding provisions for water adjudication courts. This law requires that 20 percent of the funds dedicated for water rights adjudications from the water project fund will be allocated to the Administrative Office of the Courts (AOC) for the courts’ costs associated with the adjudications. For FY05, this would have resulted in \$360 thousand for the courts with the remaining 80 percent designated for the State Engineer.

Expanded Jury Selection Pool. The Legislature approved Chapter 240 (Senate Bill 240) requiring the Taxation and Revenue Department to provide a list of names and addresses annually to AOC of all personal income tax filers to be used as a jury source list. The current jury source list is comprised of New



Mexico registered voters and licensed drivers. The bill also provides certain employer and employee protections, such as the right for certain small business or specialized jobs to be excused and restrictions on an employer's right to require an employee to take leave for jury duty.

Dona Ana County Metro Court Chapter 297 (Senate Bill 831) creates a committee to study the effectiveness, judicial efficiency, and feasibility of creating a consolidated magistrate and municipal court system for Dona Ana County. Funding for this study was omitted in the final version of the bill.

GENERAL GOVERNMENT

The Legislature increased recurring general fund support for general government agencies by \$3.4 million or about 2 percent.

Tax Fraud. The Taxation and Revenue Department (TRD) received authorization to build on the existing Tax Fraud Unit and create a new Tax Fraud Investigation Division to investigate possible criminal violations of the revenue laws of the state. In addition to giving TRD criminal investigation authority, Chapter 108 (House Bill 411) creates new criminal penalties for willful failure to collect or pay overdue taxes, modifies existing penalties for tax fraud, extends time limits for prosecution of related criminal violations, and authorizes TRD to employ law enforcement officers. TRD anticipates a positive impact on state revenues due to successful prosecution of tax fraud cases and voluntary compliance resulting from publicized prosecutions.

Motor Vehicle Fees. Chapter 20 (House Bill 201) authorizes TRD's Motor Vehicle Division (MVD) to increase administrative fees on all MVD transactions from 50 cents to \$2 and is expected to generate approximately \$3.6 million in additional revenue, of which about \$2.7 million will go to MVD. This meets the contingency in Chapter 33 (House Bill 2) for MVD's FY06 operating budget and triggers authorization for an additional 41 FTE to meet critical customer service needs.

Election Reform. Modifications to the Election Code in Chapter 270 (Senate Bill 678) address voter identification and other measures intended to enhance the public's trust in the state's election system. Whereas previously only first-time voters who registered to vote by mail were required to present identification upon voting, now all voters must do so. Acceptable forms of identification are a photo identification card (with or without an address the same or different than that on the voter's registration card), utility bill, bank statement, government check, paycheck, student or tribal identification card or another government document, or a verbal or written statement of the voter's name, year of birth, and the last four digits of the voter's social security number.

The Election Code now requires third-party registration organizations to register with the Secretary of State and provides penalties for third-party agents found guilty of fraudulent voter registration. All voting systems used in elections covered by the Election Code are now required to have a voter-verifiable and auditable paper trail when federal, state, or local funds become available or by December 31, 2006. Additional safeguards

against fraudulent vote counts include mandatory recounts for the precincts in which totals for the voting system and the paper trail differ. The changes to the Election Code also include provisions to ensure the issuance of provisional ballots under a number of special circumstances to bring the code into compliance with the federal Help America Vote Act of 2002.

The appropriation for election reform was amended out of the final version of the legislation. LFC will discuss the fiscal impact of election reform and HAVA compliance during the 2005 interim.

Bingo and Raffle Act Transfer. Administration of the Bingo and Raffle Act was transferred from the Regulation and Licensing Department (RLD) to the Gaming Control Board (GCB) in Chapter 349 (Senate Bill 370). GCB indicates it can absorb the additional workload with existing investigative and enforcement staff.

FY06 Budget Adjustment Request Authority. During the 2004 interim LFC raised concerns with what had become common agency practice to move appropriations from one agency to another by first transferring funds into the other financing uses category then entering into a joint powers agreement with another agency and paying for expenses in the other agency. In this way, the agencies were able to use budget adjustment request (BAR) authority as a vehicle to transfer money, statutory responsibility, or both between agencies. Because the Legislature typically does not authorize transfers from one agency to another, this practice was perceived as a possible circumvention of the appropriation process. The Legislature was also concerned with the methodology used by agencies to calculate the 5 percent limitation on increases from other state funds, inter-agency transfers, and internal services funds and considered the need to clarify ambiguous language.

These concerns were reflected during deliberations of the House Appropriations and Finance Committee, which appointed a subcommittee to devote additional time and consideration to FY05 and FY06 budget adjustment authority. The Legislature in 2005 restricted budget adjustment authority, limiting the movement of money to or from the other financing uses category to certain agencies for specific purposes. The Legislature also clarified ambiguous language so that tracking the 5 percent limitation is based on individual programs rather than total agency appropriations.

Other FY06 budget adjustment authority again includes category transfers among personal services and employee benefits, contractual services, and the other categories. Agencies are authorized to increase budgets up to 5 percent of a program's internal service funds/interagency transfers and other state funds appropriation contained in Section 4 of the General Appropriation Act.

Employee Healthcare Cost Increases. Double-digit increases in health benefit costs continue to impact public and private sector budgets. For 2005 the Segal Company is predicting cost increases of approximately 12.5 percent for healthcare plans and 15 percent for prescription drugs. In New Mexico, three state agencies currently administer healthcare plans for more than 135,000 state and municipal employees, teachers, and retirees. The Retiree Health Care Authority, General Services Department (GSD), and Public School Insurance Authority received a total appropriation of \$591 million in FY06 for health benefits, an increase of \$63 million, or 12 percent, over the FY05 budget. The average yearly increase over five years in health expenditures for the three state agencies is 14.4 percent, similar to a medical and prescription drug average yearly increase of 14.6 percent calculated from Segal Company health plan cost survey data.

Save Smart. The legislature in 2004 appropriated \$8 million from the general fund operating reserve to GSD for a contract to reduce purchasing costs across state government. The appropriation was contingent on realization of a guarantee that savings would be at least twice the amount of the expenditure. Pursuant to this appropriation, GSD contracted with Silver Oak Solutions to implement the Save Smart program, whereby the contractor would assist in the development of contracts with private vendors to leverage the state's purchasing power across all state agencies and reduce costs. During the 2005 legislative session, LFC staff audited the Save Smart project and reached several conclusions: (1) Save Smart had generated \$3.7 million in general fund savings from 13 contracts signed through February 2005; (2) Silver Oak Solutions was being paid one dollar for each dollar of general fund savings; and (3) Save Smart savings were not being recapture pursuant to the 2004 law.

The staff of the Department of Finance and Administration and LFC cooperated to estimate FY06 savings by department and program for incorporation into the budget. The Legislature directed the executive to generate \$3.2 million in savings from

existing contracts and allotted those savings to specific agencies in Section 11 of GAA. This section also directed the executive to reduce agency budgets by an additional \$2 million for contracts still to be concluded. The governor vetoed the entire section, except for the general directive to generate \$3.2 million in savings from the Save Smart program. The executive proposed language that was incorporated into Chapter 347 (House Bill 885) that set out the process for recapturing FY05 savings.

Sunset Review. Many of the boards and commissions administered by the Regulation and Licensing Department underwent the sunset-review process prior to the 2005 legislative session. “Sunset” clauses in the statutes authorizing these boards and commissions provide for the agency to automatically expire after a certain amount of time unless the Legislature intervenes. Chapter 208 (House Bill 306), sponsored by LFC, renews the sunset clause for most of the boards and commissions and sets a staggered schedule of future sunset dates. In addition, it removes the sunset clauses from the Surface Mining Act and the statutes authorizing the Livestock Board, Human Rights Commission, Crime Victims Reparation Commission, Construction Industries Division, and Manufactured Housing Division; these boards will no longer be required to go through the sunset review process. Several RLD boards and commissions sought statutory amendments along with the renewal of their sunset date. Bills amending the Speech Pathology and Audiology Board, Athletic Trainer Board, Counseling and Therapy Practice Board, Real Estate Broker Board, and Occupational Therapy Board statutes were signed into law. The Interior Designers Board legislation passed the Legislature, but was vetoed by the governor through inaction.

Construction Industries Division. Legislation pursued by the Construction Industries Division to retain division funds collected in a revolving fund rather than reverting them to the general fund was not passed. Chapter 52 (Senate Bill 228) requires licensure of hoisting (crane) operators through the division. Currently licensure is optional through the division and a reported 50 of 300 operators are licensed.

Payday Loans. Multiple bills were introduced to regulate payday loans; however, none of the bills passed. House Bill 65 passed the House but died in the Senate Judiciary Committee though lack of action. Primary discussion related to these bills included testimony regarding the prevalence of the businesses near military bases, and how, if, and to what level interest rates

for payday loans should be restricted. Governor Richardson has announced plans to form a task force to make recommendations on payday loan legislation for the 2006 session.

General Services Department Rates. The recommended appropriations for 32 larger state agencies were reduced by the legislature by approximately \$9.5 million in general fund to reflect lower growth in fees anticipated for liability insurance, transportation services, mainframe and information technology services, and radio telecommunications services. These reductions were taken based on recommendations of both the Legislative Finance Committee and the Department of Finance and Administration after a joint review of the anticipated fees as well as cash reserves of state enterprise operations at the General Services Department.

COMPENSATION, BENEFITS PENSION REFORM

In acting on state employee compensation during the 2005 session, the Legislature recognized competitiveness in *total compensation*, pay and benefits, as being critical in the state's ability to attract and retain employees.

A general salary increase of 1.75 percent, subject to satisfactory job performance, is provided for most legislative, judicial, executive, and district attorney (classified and exempt) employees. Certain categories of employees received funding for different salary increases in order to promote recruitment and retention. A general salary increase of 5 percent, subject to satisfactory job performance, was appropriated for attorneys within the offices of the district attorneys and the Public Defender Department, commissioned officers of the Department of Public Safety, other than state police, and probation and parole officers within the Department of Corrections. State police officers will receive a salary increase of 5.9 percent. Public education employees, excluding teachers receiving increases as a result of the implementation of the teacher pay ladder, will receive a salary increase of 1.25 percent. Higher education employees will receive a compensation increase of 2 percent.

Additionally, the Legislature in 2004 increased the state's contribution level for employee health insurance in FY05 and again in FY06. The estimated general fund impact in FY06 of the contribution increases effective July 2005 is \$8.4 million. The appropriation included an additional increase of \$4.1 million in FY06 to offset an increase in premiums and enrollment. The full impact of the approved salary increases coupled with the change in the share of the health insurance premium paid by the state are outlined below:

	Direct Salary Increase	Benefit Contribution	Total Compensation Increase
Legislative, Executive, Judicial and District Attorney Classified Employees	1.75%	1.4%	3.15%
Attorneys within District Attorney Offices and Public Defender	5.0%	1.4%	6.4%
Commissioned Officers of the Dept of Public safety other than state police.	5.0%	1.4%	6.4%
State Police	5.9%	1.4%	7.3%
Probation and Parole Officers	5.0%	1.4%	6.4%
Public Education Employees	1.25%*	.75%	2.0%
Higher Education Employees	2.0%**	0%	2.0%

* All employees except for teachers receiving an increase for three-tier license minimums

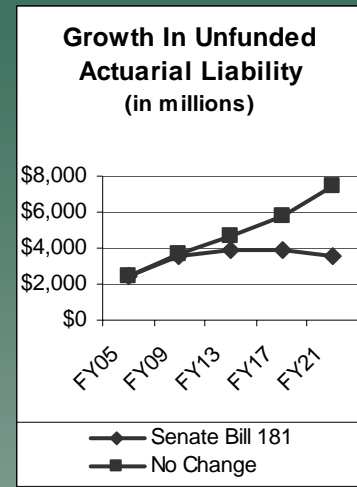
** Portion of increase may be used for potential contribution increases for the educational retirement board

Pensions and Pension Fund Solvency.

Educational Pension Fund Solvency. Chapter 273 (Senate Bill 181) was enacted in the 2005 session to improve the actuarial solvency of the educational retirement fund (ERF) by increasing employer and employee contributions to the fund. On June 30, 2004, the ERF funded ratio (assets as a percentage of liabilities) was 76 percent, down from 91 percent in 2001. Generally, a funded ratio of at least 80 percent is considered satisfactory. The Governmental Accounting Standards Board (GASB) standard for the amortization period for the unfunded actuarial liability is 30 years. On June 30, 2004, ERF's funding period was infinity. If actuarial and demographic assumptions hold, including investment return of 8 percent on pension assets, the contribution increases implemented by Chapter 273 will bring the educational retirement fund within the 30-year GASB standard by FY11. The fund will meet the 80 percent target for funded ratio in FY19. Under Chapter 273, the employer contribution to educational employee retirement increases by 5.25 percent over seven years (a 0.75 percent increase per year), which will take the employer contribution from the current 8.65 percent to 13.9 percent in FY12. The employee contribution will increase by 0.30 percent over four years, which takes it from the current 7.6 percent to 7.9 percent by FY09. The chart below shows the rapid growth in the unfunded actuarial liability without legislative action and how that growth should level off with the employee and employer contribution increases implemented by Chapter 273.

Improve Solvency of Judicial Retirement. Two bills were passed to improve the actuarial solvency of the judicial and magistrate retirement systems. Chapter 246 (House Bill 205) will improve the solvency of the judicial retirement fund by providing for a 3 percent increase in the employer contribution and a 2 percent increase in the employee contribution phased in over two years. The bill also provides for a less generous early retirement plan for judges hired after FY05. Chapter 247 (House Bill 216) will improve the solvency of the magistrate fund by providing for a 2 percent increase in both the employer and employee contributions phased in over two years.

Prudent Investor Legislation. Chapter 240 (House Bill 389) replaced the current legal list of allowable investments for the Public Employees Retirement Association (PERA), Educational Retirement Board (ERB), and State Investment Council (SIC) with the



Source: Educational Retirement Board actuarial projections

uniform prudent investor act. This change effectively allows the funds to invest in a broader array of assets, which has the potential to increase investment returns and lessen investment risk by portfolio diversification. By investing under the prudent investor act, the investing agencies project returns will increase by one quarter of 1 percent to about one-half of 1 percent. Because together the three invest approximately \$27 billion, these additional returns could add up. For example, by FY 09 these agencies believe they could add an additional \$514 million to their portfolios by investing under the prudent investor act.

Generally speaking, the standards of the prudent investor act require investments be made with the reasonable care, skill, and caution that a prudent investor would exercise in light of the purposes, terms, distribution requirements, and other circumstances of the trust. The legislation includes language requiring the funds to report on investment performance quarterly to the Department of Finance and Administration and the Legislative Finance Committee. The funds are also required to annually ratify their written investment policies and provide a copy of the investment policies, and any changes, to Legislative Finance Committee and the Department of Finance and Administration.

Investing Agencies Procurement Bills. Chapter 318 (Senate Bill 61) exempts PERA, ERB, and SIC investment-related procurements from the requirements of the state procurement code. According to these agencies, it currently takes a minimum of six to ten months to award a contract for investment managers or investment-related programs under the current procurement code. This hampers the ability of these agencies to be respond in a timely manner to changes in market conditions or investment manager performance. By exempting investment-related services from the procurement code, the agencies (with approval of their governing boards) can streamline the procurement process, which will improve their ability to manage their investment portfolios. Chapter 239 (House Bill 388) broadens the range of financial institutions that may serve as either securities lenders or that may perform financial custodial functions for state investing agencies. It is hoped that this bill will lead to increased competition to provide these services, which may lower the costs for state agencies.

Other Pension-Related Legislation. Two joint memorials passed the Legislature this session concerning pensions. House Joint Memorial 9 and Senate Joint Memorial 17 require the Educational Retirement Board to study the implications of moving to a defined contribution retirement plan for future hires. House Joint Memorial 5 is a two year moratorium on pension benefit enhancements through December 2006. Although this memorial is nonbinding on the Legislature, several bills that proposed either enhanced benefits for current retirees or proposed more generous retirement plans for current employees failed during the 2005 session.

INVESTMENTS IN INFRASTRUCTURE

Capital Outlay

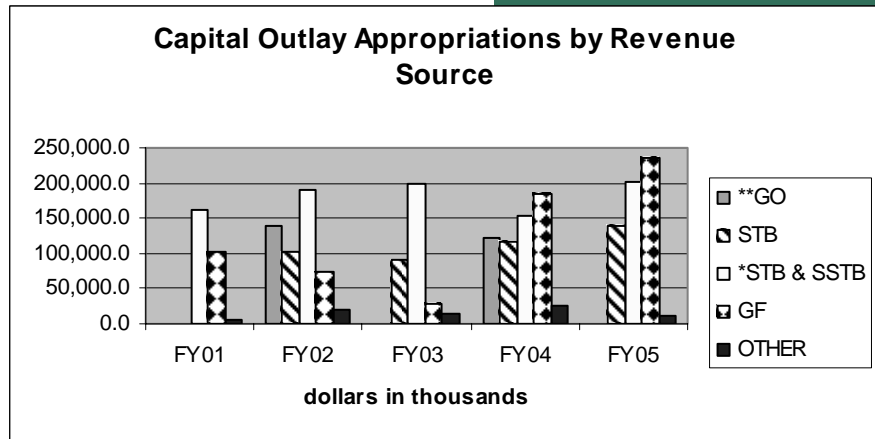
General Fund and Severance Tax Bond Projects. Another year of strong energy-related revenues provided substantial funds for state and local capital outlay projects funded by the 2005 Legislature. In Chapter 347 (House Bill 885), the major capital funding bill, the Legislature appropriated \$472.8

million from the general fund (GF), senior severance tax bond capacity, short-term supplemental severance tax bond (STB) capacity, and other funds for 1,944 projects statewide. Chapter 274 (Senate Bill 455) authorizes an additional \$117 million derived from supplemental severance tax bond capacity for public school infrastructure statewide.

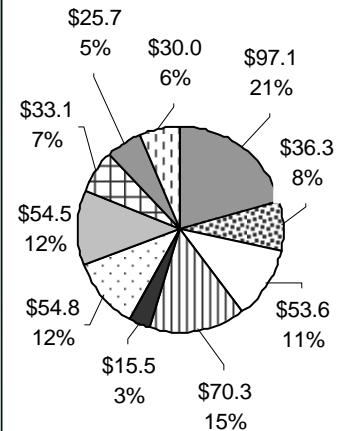
Of the total appropriation, the governor line-item vetoed 42 projects totaling \$1.86 million, \$1.06 million in GF and \$800 thousand in STB. The governor indicated the vetoed projects “are clearly local community responsibilities, inconsistent with state gaming compact obligations, or are in conflict with good infrastructure policy or state public policy priorities.” The vetoes impacted nine governmental entities including Bernalillo County for \$425 thousand, Chaves County for \$235 thousand, Dona County for \$225 thousand, Eddy County for \$50 thousand, Los Alamos County for \$6 thousand, Otero County for \$80 thousand, Sandoval County for \$40 thousand, San Miguel County for \$50 thousand, Santa Fe County for \$650 thousand, and the New Mexico Film Museum for \$100 thousand.

Early deliberations between the Legislature and governor provided consensus on how the available funding sources would be disbursed for capital outlay projects. The discussions resulted in a decision to first spend at least \$50 million for projects defined as statewide by the Legislature and to spend \$50 million for projects proposed within the governor’s Invest New Mexico plan.

The Legislature’s \$50 million for statewide projects was appropriated for infrastructure upgrades at state-owned and -operated facilities for housing the sick, elderly, juvenile and adult offenders, completion of previously funded projects, facilities and equipment used by law enforcement and the general public, and



2005 Capital Outlay Appropriations by Category (in millions)



- Public School Facilities
- ▨ Higher Education Facilities
- State & Local Public Buildings
- ▨ Water & Utility Infrastructure
- Judicial & Public Safety Facilities
- Cultural & Recreational Facilities
- ▨ Transportation Infrastructure
- ▨ Community & Senior Citizen Centers
- Public Health Facilities
- ▨ Economic Development & Housing Initiatives

projects with matching funds to maximize state dollars. Generally, these projects are selected, because they address public health and safety; licensing and certification compliance; preservation of life, property value, and economic development; federal mandates; continuation projects requiring additional funding; and projects with matching funds to maximize state dollars. Other key projects included funding for water and wastewater supply systems, Pecos River Compact compliance, school bus replacement, senior citizen centers, statewide park improvements, construction of an archaeological repository, tribal infrastructure, and dam renovations.

The governor's \$50 million for statewide projects were appropriated for economic development, affordable housing, water infrastructure, school-based health facilities, natural resources and recreational improvements, and Pecos River Compact compliance (see Appendix I).

Other funding supported by both the Legislature and the governor included an authorization for short-term supplemental severance tax bonds for deficient public school building roofs (\$62 million); a new State Laboratory Services building (\$17 million); improvements at two postsecondary facilities (\$6 million); and equipment and repairs at facilities operated by the Game and Fish Department, State Land Office, Labor Department, Public Employees Retirement Association, Miners' Colfax Medical Center and Labor Department (\$10 million).

Local and regional projects benefited the most during the 2005 session with more than \$270 million appropriated for an array of projects including public school infrastructure, water and wastewater supply systems, transportation infrastructure, health and safety facilities, cultural and recreational improvements, and tribal infrastructure.

Legislators continue to make progress in funding only projects that meet a minimum threshold of \$50 thousand authorized from severance tax bonds, thereby resulting in a more timely and effective expenditure of funds. However, nearly \$238 million appropriated for 1,673 projects from the general fund could result in increased numbers of projects with unexpended funds in ensuing years if funding is not sufficient to commence or complete projects.

Other Major Infrastructure and Enabling Legislation. The Legislature approved and governor signed several other pieces of

legislation relative to health, economic development, water and transportation issues with significant impact on capital funding and management.

Chapter 36 (House Bill 95) authorizes the New Mexico Finance Authority (NMFA) to make loans from the public project revolving fund (PPRF) to qualified entities for 214 capital projects, such as purchasing equipment, buildings, or for the purpose of refinancing. Loans from PPRF benefit eligible entities by allowing them to borrow for infrastructure projects at below-market costs, based on terms and conditions established by NMFA. Legislative authorization is void if a qualified entity does not notify the NMFA by the end of fiscal year 2008 of its intent to pursue a loan from NMFA.

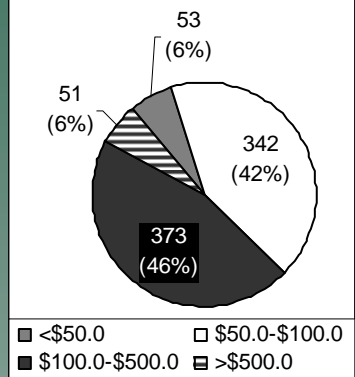
Chapter 54 (Senate Bill 456) amends the Primary Care Capital Funding Act to create a separate fund for long-term financing of capital projects for school-based health centers or “telehealth” centers, sites where health care is provided through the Internet or other telecommunications. The legislation authorizes NMFA to make loans to a public school district operating a school-based health center or to an eligible telehealth site for capital projects provided the loan does not exceed the amount reserved for the centers and sites in the fund.

Chapter 58 (Senate Bill 52) authorizes NMFA to issue revenue bonds in an amount not to exceed \$2.5 million for the behavioral health capital fund. The bonds will be secured by a 2.04 percent portion of the cigarette tax previously directed to NMFA for administrative costs. The distribution will generate a revenue stream of approximately \$1.2 million annually to repay the bonds. Nonprofit mental health clinics with assets under \$10 million are eligible for financial assistance from the fund.

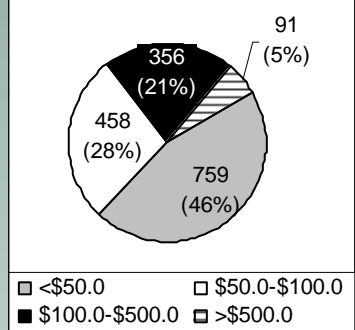
Chapter 70 (House Bill 123) appropriates \$2 million from PPRF to the drinking water state revolving loan fund and the General Appropriation Act appropriates \$2 million from the general fund to match federal grants totaling \$16 million to make improvements to water systems statewide.

Chapter 76 (Senate Bill 54) authorizes NMFA to make grants from the water and wastewater grant fund for up to \$4 million for emergency water or wastewater projects to eligible entities; however, no funding was allocated for this purpose.

**Severance Tax Bond
Capital Projects by
Number and Percent
of Total**



**General Fund
Capital Projects by
Cost**



Chapter 103 (House Bill 518) provides the methodology and mechanics to implement the Economic Development Act. The purpose of the act is to provide planning and financial assistance to eligible entities to retain and expand existing businesses in the state, to encourage established businesses in other states to relocate to New Mexico, and to support new businesses in the state, particularly in underserved and rural areas of the state. NMFA will administer the economic development fund capitalized with \$10 million appropriated in Chapter 347 and will rely on the underwriting expertise of banks during the loan origination process to ensure the integrity of the loans. The Economic Development Department will coordinate eligibility surveys, evaluations, and other documentation to make project recommendations to NMFA.

Chapter 104 (House Bill 410) creates an affordable housing tax credit and authorizes the Mortgage Finance Authority (MFA) to issue investment vouchers, valued at 50 percent of the investment, for investors in affordable housing projects. For 2006 the voucher is valued at \$200 thousand and for 2007 at \$500 thousand. The value in subsequent years would equal \$1.85 multiplied by the state population plus an annual inflation adjustment. MFA is required to adopt rules for the approval, issuance and administration of the vouchers.

Chapter 105 (Senate Bill 115) enacts the New Mexico Housing Trust Act, creates a housing trust fund, and creates an advisory committee to make recommendations on uses of the fund. The purpose of the fund is to provide flexible funding for housing initiatives that could leverage other funding sources for housing in the state to provide affordable housing for persons of low or moderate income. The fund is capitalized with a \$10 million appropriation in Chapter 347 and MFA is responsible for the administration of the fund.

Chapter 180 (House Bill 304) expands the eligibility of water and wastewater planning grants to include water conservation, long-term master plans, and local economic development plans. The legislation encourages communities to fund projects through NMFA by waiving the repayment requirement of the grant if the community finances its project through the authority.

Chapter 262 (House Bill 979) creates the local transportation infrastructure fund within NMFA to provide matching grants

and other funding support to qualified entities for local transportation projects and authorizes NMFA to purchase the local transportation project revenue bonds with money in the public project revolving fund in an amount not to exceed \$20 million. Eligible entities may receive a grant for 25 percent of the project cost if they borrow the balance of the project from the transportation infrastructure fund.

Chapter 278 (Senate Bill 975) authorizes NMFA to issue bonds for the purpose of financing information and communication equipment for the Insurance Department of the Public Regulation Commission. The chapter extends a \$3 surcharge on appointment fees through June 30, 2009, as a revenue stream for repayment of the bonds.

Chapter 287 (House Bill 271) authorizes NMFA to make loans or grants from the water project fund to qualified entities for eligible water projects including (1) for the storage, conveyance or delivery of water to end-users, (2) for the implementation of the Federal Endangered Species Act collaborative programs, (3) for the restoration and management of watersheds, (4) for flood control, or (5) for water conservation. Ten percent of the annual available severance tax bond capacity totaling \$17.7 million for calendar year 2005 was deposited into the water project fund to capitalize the fund.

Chapter 319 (Senate Bill 935) authorizes NMFA to issue up to \$15 million in additional revenue bonds for up to 20 years to supplement previously issued bonds for capital expenditures at the University Of New Mexico (UNM) Hospital and the Cancer Research and Treatment Center (CRTC). The current 14.52 percent distribution of cigarette tax revenue to NMFA for CRTC is pledged as the revenue stream to repay bond holders and related costs. This chapter authorizes NMFA to secure the additional bonds by a pledge of funds from the public project revolving fund with a lien priority on the fund as determined by NMFA. Chapter 36 also authorizes NMFA to make loans to UNM for CRTC from the public project revolving fund for the same purpose.

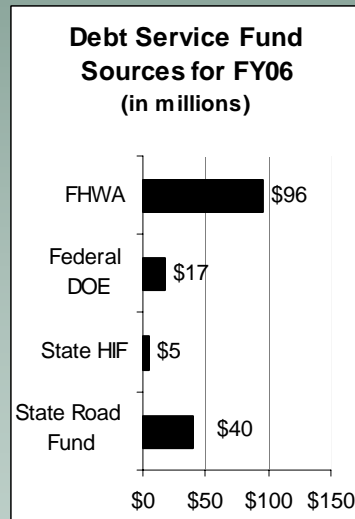
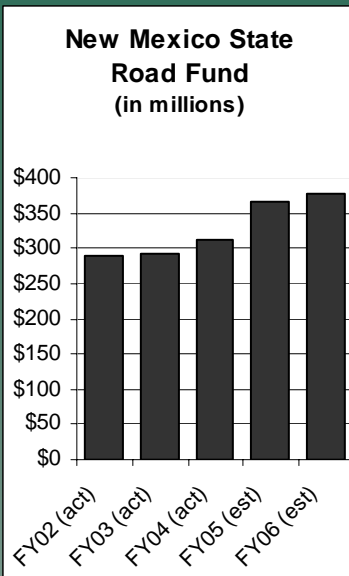
Chapter 320 (Senate Bill 289) authorized \$39 million in bond revenues to make improvements to Department of Health (DOH) facilities identified as critical to address licensing and certification issues. The funding provides for improvements at the Southern New Mexico Rehabilitation Center, the Las Vegas Medical Center, and the Fort Bayard Medical Center.

Public School Capital Outlay. Chapter 274 (Senate Bill 455) amends the Public School Capital Outlay Act, Technology for Education Act, Public School Code, Public School Insurance Authority Act, Public School Capital Improvements Act, Severance Tax Bonding Act and other statutes related to school district obligation bonds and construction. Significant changes:

- Authorizes Public School Capital Outlay Council (PSCOC) grants for charter schools in existence prior to July 1, 2005, but requires schools in existence after July 1, 2005 until July 1, 2010 to meet educational occupancy standards;
- Prohibits new or renewed grants to charter schools after July 1, 2010, unless the school occupies space in a public building or the space is owned by the charter school, the school district, or qualified governmental entity; or, if not housed in a public building, the charter school must demonstrate (1) the facility meets the statewide adequacy standards and the owner of the facility is contractually obligated to maintain the standards at no additional cost to the charter school or the state. (2) public buildings are not available or adequate for the educational program of the charter school, or (3) the owner of the facility is a nonprofit organized for the purpose of providing the facility for the school;
- Shifts offset of direct appropriations against future capital outlay grant awards instead of the education technology fund;
- Provides for a roof repair and replacement program and process; authorizes PSCOC to allocate up to \$30 million annually in fiscal years 2006 and 2007 for the roof repair and replacement initiative; requires that the costs of repairs or replacement be shared by the state and the district using the state-share formula that applies to other capital outlay projects; and requires funds be expended no later than September 1, 2008;
- Amends the charter school lease assistance program by increasing the maximum grant award from \$300 per member to \$600 per member; maintains requirement that the award cannot exceed the actual lease amount; and allows the distribution during the initial year of operation of a charter school to be based on estimated first-year enrollment rather than prior-year enrollment;
- Allows expenditure of up to 1 percent of the average grant assistance for the three previous years to reimburse the state fire marshal, the Construction Industries Division and local jurisdictions, when under contract with PSFA, for permits and inspections they perform as part of the public school capital outlay process;

-
- Provides for completion of outstanding deficiencies including serious roof deficiencies regardless of the local effort or percentage of indebtedness of the school district subject to determination of PSCOC based on certain criteria;
 - Reduces priority ranking for continuation projects from three to two years and clarifies definition of a continuation project;
 - Allows PSCOC to adjust the amount of local share required if it determines a school district has used all of its local resources and requires the adjustment be based on certain conditions within the district, including ability to raise money through property taxes, enrollment growth, and economic status of students, among others;
 - Requires PSCOC to develop, implement, and maintain a uniform web-based facility information management system and, within available appropriations, develop a schedule and procedure for phasing all school districts into the system, including school districts not applying for grant assistance;
 - Appropriates \$1.6 million to PSFA from the public school capital outlay fund for developing and implementing the facility information management system (FIMS);
 - Recreates the Public School Capital Outlay Task Force as a permanent public school outlay oversight task force, changes the membership to include the Speaker of the House and the president pro tem of the Senate or their designees, increases legislative minority membership to two members from the House and two from the Senate, adds a member of the interim legislative committee charged with oversight of Indian affairs, removes the dean of the University of New Mexico Law School, and requires that two of the three public members be residents of school districts that receive impact aid;
 - Delays requirement of PSFA employees being subject to the State Personnel Act until July 1, 2006.
 - Increases the state match guarantee, known as SB9, from \$50 per unit per mill to \$60 for FY06, retains provisions enacted in 2004 to index the amount annually but delays the calculation until 2007, and authorizes use of SB9 funds to meet the local match requirement under the state roof repair or replacement initiative;
 - Requires all school districts to develop and implement preventive maintenance plans and to participate in FIMS;

Transportation. The Legislature approved a budget of \$723.8 million for the Department of Transportation, of which \$18.2 million was earmarked for a 100 percent state-funded construc-



tion program. This was a 180 percent increase over the prior year's appropriation of \$6.5 million.

The reconstruction and improvement of almost 1,000 miles of highway continues under the \$1.585 billion Governor Richardson's Investment Partnership (GRIP) program with \$227 million in projects underway and an additional \$86 million scheduled to proceed through the bid process by the end of FY05. The programmed projects for GRIP extend from federal fiscal year 2004 to federal fiscal year 2009. In FY06 the department will spend \$157.8 million on debt service.

Due to the size and impact of the GRIP program, the Legislature expressed its continuing concern with the high level of department vacancies and the need to become fully staffed if program goals are to be met.

The Legislature passed Chapter 342 (Senate Bill 619) creating the New Mexico Exposition Center Authority (NMECA). The authority is tasked with developing and managing exposition centers throughout the state of New Mexico. Exposition centers include facilities for expositions, such as conventions, exhibitions, sporting events, and museums. Expositions also include "excursion trains, commuter and long distance rail stations ... transportation maintenance yards, rail crossings and other light and heavy rail transportation activities and operations and related facilities provided such facilities are available for the use by the general public." This legislation establishes bonding authority with the NMECA that will create a funding mechanism for the commuter rail facilities currently being developed in the Belen to Santa Fe corridor.

INFORMATION TECHNOLOGY

The Legislature funded a total of \$55.8 million in information technology (IT) projects with \$25.7 million from the general fund, \$7.1 million from other state funds, and \$23.1 million in federal funds. LFC has recommended projects totaling \$59.7 million, consisting of \$34.5 million from the general fund, \$7.5 million other state funds, and \$17.7 million federal funds. Major projects funded included the judicial electronic document management system, which should result in significant savings once implemented; the Human Services Department cubed system, which should provide a framework for inter-operability among various internal systems and a replacement for the Income Support Division system; the Department of Health laboratory information management system to modernize the collection and sharing of lab test results; and the Department of Public Safety computer-aided dispatch system, which places portable computers in public safety officers' cars (see Appendix G).

The governor vetoed projects totaling \$5.35 million, including a system that would have reduced costs to public schools by better monitoring school facilities and work orders, an expansion of the higher education computer network to allow public schools and universities to better communicate within and outside of the state, and a project to consolidate hardware and software for remote learning that would have reduced annual software licensing fees to universities.

GENERAL FUND FINANCIAL SUMMARY
(Dollars in Millions)

	Preliminary FY2004	Estimated FY2005	Estimated FY2006
APPROPRIATION ACCOUNT			
REVENUES:			
Recurring Revenue			
Recurring February Revenue Estimate	4,283.0	4,665.3	4,695.6
2005 Revenue Legislation		(2.10)	14.9
Enhanced Audit			11.2
Total Recurring	<u>4,283.0</u>	<u>4,663.3</u>	<u>4,721.8</u>
Non-Recurring Revenue			
Revenue Accounting Policy Change (GASB)	280.4		-
2005 Revenue Legislation		5.4	0.9
Enhanced Audit	17.6		
Other Non-Recurring Revenue	30.7	36.8	-
Total Non-Recurring	<u>328.7</u>	<u>42.2</u>	<u>0.9</u>
TOTAL REVENUE	4,611.7	4,705.4	4,722.6
APPROPRIATIONS			
Recurring Appropriations (2004 session)	4,119.8	4,380.2	
Recurring Appropriations (2005 session)		26.2	4,707.4
Total Recurring Appropriations	<u>4,119.8</u>	<u>4,406.4</u>	<u>4,707.4</u>
Non-Recurring Appropriations (2004 session)	263.2	3.7	
Non-Recurring Appropriations (2005 session)		299.8	2.4
Total Non-Recurring Appropriations	<u>263.2</u>	<u>303.4</u>	<u>2.38</u>
TOTAL APPROPRIATIONS	4,383.0	4,709.8	4,709.8
Transfer to Reserves	228.7	(4.4)	12.9
GENERAL FUND RESERVES			
Beginning Balances	245.1	447.0	409.5
Transfers in from Appropriations Account	228.7	(4.4)	12.9
Revenue and Reversions	50.0	40.6	40.4
Appropriations, Expenditures and Transfers out	(76.8)	(73.7)	(45.9)
Ending Balances	447.0	409.5	416.9
<i>Reserves as a Percent of Recurring Appropriations</i>	<i>10.9%</i>	<i>9.3%</i>	<i>8.9%</i>

New Money 341.6

Notes:

- (1) Recurring appropriations include GAA plus other bills; see General Fund Financial Summary Detail.
- (2) Transfer includes \$120 million to Appropriation Contingency Fund in FY04 for education reform "lock box".
- (3) Does not include \$5 million contingent appropriation to TANF program in the event federal revenues are less than anticipated.

GENERAL FUND FINANCIAL SUMMARY - DETAIL
(Dollars in Millions)

		FY05		FY06	
<u>Appropriation Bills:</u>		Recurring	Non-rec	Recurring	Non-rec
HB 2	General Appropriations Act (Chapter 33)				
	Sections 4, 8 & 11			4,662.36	
	Section 4 Vetoes			1.65	
	Section 4 Failed Contingencies ¹			(0.50)	
	Section 5 - Specials (includes IT)	16.41	77.29	1.25	0.06
	Section 5 Vetoes		(32.34)		
	Section 5 Failed Contingencies				
	Section 6 Supplementals & Deficiencies		8.46		
	Total General Appropriation Act	16.41	53.41	4,664.76	0.06
<u>All Other Bills:</u>					
HB1	Feed Bill (Chapter 1)	7.12		12.58	
HB10	National Guard Life Insurance Reimb. (Ch 2)	1.00			
SB190	Senate Bill 190 (Chapter 34)				
	Sections 1 thru 12			29.59	1.70
	Section 13		7.80		
	Section 14				0.82
	Vetoes			(1.20)	(0.19)
	Failed Contingencies ²	(0.37)		(0.19)	
HB318	Medicaid Services for Brain Injuries (Chapter 243)	2.00			
HB885	Severance Tax Bond Projects (Chapter 34)		236.59		
HB901	Additional Judgeships (Chapter 284)			1.84	
	Total Other Bills	9.76	244.38	42.63	2.32
	Grand Total Appropriations	26.16	297.79	4,707.39	2.38

		FY05		FY06	
<u>Additional Revenue Sources:</u>		Recurring	Non-rec	Recurring	Non-rec
HB2	Reversion (Section 7 IT Vetoes)		5.35		
HB105	Income Tax Deduction for Organ Donation (Chapter 113)	(0.01)		(0.03)	
HB153	Utility Operator Regulation and Fees (Chapter 285)			(0.03)	
HB394	Health Insurance Rates & Alliance Membership (Chapter 21)			0.20	
HB410	Income Tax Exemption For Certain Taxpayers (Chapter 104)	(0.19)		12.33	
HB432	Small Counties Assistance Act Eligibility (Chapter 183)			(0.68)	
HB444	Health Insurance Premium Surtax (Chapter 132)			(0.80)	
HB995	Biomass-Related Equipment Tax Deduction (Chapter 179)			(0.01)	
HB997	School Bus Fuel Excise Tax Deduction (Chapter 232)			0.14	
HB1053	Repeal Business Development Corporation (Chapter 184)				0.85
HB1102	Medical Care Plan & Tax Credit (Chapter 267)	(3.30)		(6.60)	
SB438	Private Activity Bond Allocation & Fee (Chapter 153)			0.03	
SB445	Health Facility Licensure Fees (Chapter 53)			(0.08)	
SB534	Nursing Home Gross Receipts (Chapter 91)	1.40		2.40	
SB837	Racetrack Machine Gaming Operating Hours (Chapter 350)			8.06	
	Total Revenue Bills	(2.10)	5.35	14.94	0.85

Notes:

- Section 4, failed contingency: SB112 Supplemental Food Stamps; adjustment is (\$500); HB329 add \$525 to ACF for DPS; HB600 add \$277.4 thousand
- SB190, failed contingency FY05 SB426 (\$150,000); HB633 (\$236,000); FY06 SB414 (Animal Shelter, \$100,000) and HB80 (Dept. of Peace, \$50,000)
- HB2 includes an appropriation from the Appropriation Contingency Fund for \$1.5 million for BOF Emergency Fund and a \$5 Million contingent appropriation to the TANF Program (not shown above)

**General Fund Revenue Estimates
December 2004**

APPENDIX B

(Dollars in Millions)

	FY2004	FY2005				FY2006			
	Dec. 04 Actual	Feb. 05 Est.	Adjusted for Legislation	Change	% Change From FY04	Feb. 05 Est	Adjusted for Legislation	Change	% Change From FY05
Gross Receipts	1,409.6	1,495.0	1,494.8	(0.2)	6.0%	1,562.0	1,552.4	(9.6)	3.9%
Compensating	33.7	37.0	37.0	0.0	9.8%	37.9	37.9	(0.0)	2.5%
TOTAL GENERAL SALES	1,443.3	1,532.0	1,531.8	(0.2)	6.1%	1,599.9	1,590.4	(9.6)	3.8%
Tobacco	52.7	51.2	51.2	0.0	-2.9%	50.7	50.7	0.0	-1.0%
Alcohol	26.0	26.4	26.4	0.0	1.5%	26.9	26.9	0.0	3.4%
Insurance	87.8	104.0	104.0	0.0	18.5%	109.2	108.6	(0.6)	23.7%
Fire Protection	25.8	25.8	25.8	0.0	0.1%	26.8	26.8	0.0	4.1%
Bed Tax	0.0	19.0	19.0	0.0	100.0%	19.5	19.5	0.0	100.0%
Motor Vehicle Excise	115.7	121.3	121.3	0.0	4.8%	127.5	127.5	0.0	10.2%
Gaming	38.5	47.0	47.0	0.0	21.9%	51.0	59.1	8.1	53.2%
Leased Vehicle Surcharge	5.8	5.8	5.8	0.0	0.6%	5.9	5.9	0.0	1.8%
Other	2.2	2.7	2.7	0.0	23.6%	2.7	2.7	0.0	23.6%
TOTAL SELECTIVE SALES	354.6	403.2	403.2	0.0	13.7%	420.2	427.7	1.0	6.1%
Personal Income Tax	1,007.2	1,010.0	1,008.1	(1.9)	0.1%	990.0	1,007.4	17.4	-0.1%
Corporate Income Tax	138.2	200.0	200.0	0.0	44.7%	210.0	209.8	(0.3)	4.9%
Estate	7.7	4.0	4.0	0.0	-48.0%	0.0	0.0	0.0	-100.0%
TOTAL INCOME TAXES	1,153.1	1,214.0	1,212.1	(1.9)	5.1%	1,200.0	1,217.1	17.1	0.4%
Oil and Gas School Tax	297.1	338.2	338.2	0.0	13.8%	307.7	307.7	0.0	-9.0%
Oil Conservation Tax	13.6	17.2	17.2	0.0	26.9%	15.7	15.7	0.0	-8.7%
Resources Excise	5.5	5.5	5.5	0.0	0.7%	5.5	5.5	0.0	0.0%
Natural Gas Processors	13.5	21.7	21.7	0.0	61.0%	25.7	25.7	0.0	18.4%
TOTAL SEVERANCE TAXES	329.6	382.6	382.6	0.0	16.1%	354.6	354.6	0.0	-7.3%
LICENSE FEES	42.9	43.6	43.6	0.0	1.7%	44.9	44.8	(0.1)	2.8%
LGPF Interest	292.2	349.6	349.6	0.0	19.6%	353.1	353.1	0.0	1.0%
STO Interest	19.7	41.0	41.0	0.0	108.1%	52.0	52.0	0.0	26.8%
STPF Interest	172.4	173.2	173.2	0.0	0.4%	171.8	171.8	0.0	-0.8%
TOTAL INTEREST	484.4	563.8	563.8	0.0	16.4%	576.9	576.9	0.0	2.3%
Federal Mineral Leasing	334.9	380.9	380.9	0.0	13.7%	348.1	348.1	0.0	-8.6%
State Land Office	22.1	28.4	28.4	0.0	28.7%	25.9	25.9	0.0	-8.8%
TOTAL RENTS & ROYALTIES	356.9	409.3	409.3	0.0	14.7%	374.0	374.0	0.0	-8.6%
TRIBAL GAMING	35.1	36.0	36.0	0.0	2.6%	43.0	43.0	0.0	19.4%
TOBACCO SETTLEMENT	37.4	34.8	34.8	0.0	-7.1%	34.1	34.1	0.0	-2.0%
MISCELLANEOUS RECEIPTS	26.1	25.2	25.2	0.0	-3.6%	25.9	25.9	0.0	2.8%
REVERSIONS	19.6	20.8	20.8	0.0	6.1%	22.1	22.9	0.9	10.2%
TOTAL RECURRING	4,283.0	4,665.3	4,663.3	(2.1)	8.9%	4,695.6	4,711.4	15.8	1.0%
Rev. from Accrual Accounting Change	305.6	NA				NA			
Enhanced Audit (non-recurring)	17.6	0.0	0.0	0.0	-100.0%	0.0	0.0	0.0	0.0
Non-Recurring Other	53.8	36.8	36.8	0.0	-31.5%	0.0	0.0	0.0	(1.0)
TOTAL NON-RECURRING ^{(2) (3)}	376.9	36.8	36.8	0.0	-90.2%	0.0	0.0	0.0	(1.0)
GRAND TOTAL	4,659.9	4,702.1	4,700.1	(2.1)	0.9%	4,695.6	4,711.4	15.8	0.2%

APPENDIX C

U.S. AND NEW MEXICO ECONOMIC INDICATORS									
	FY2004	FY2005		FY2006		FY2007		FY2008	
		Dec. 2004	Feb. 2005	Dec. 2004	Feb. 2005	Dec. 2004	Feb. 2005	Dec. 2004	Feb. 2005
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
<i>NATIONAL ECONOMIC INDICATORS</i>									
US Real GDP Growth (% , SAAR)	4.8	3.4	3.6	3.0	3.1	3.1	3.2	3.1	3.1
US Inflation Rate (CPI, %, SAAR)*	2.8	2.3	1.9	1.1	1.5	1.7	1.9	1.9	2.1
Overnight Yield (%)**	1.0	2.0	2.2	3.1	3.4	3.5	3.8	3.7	4.3
<i>LABOR MARKET AND INCOME DATA</i>									
<i>New Mexico</i>									
NM Non-Agricultural Employment Growth (%)	1.4	2.3	2.3	2.1	2.3	1.9	2.1	1.9	2.0
NM Personal Income Growth (%)***	4.4	6.4	6.1	5.1	5.1	5.3	5.4	5.4	5.4
NM Private Wages & Salaries Growth (%)	5.0	6.0	6.3	5.8	5.9	5.6	5.9	5.5	5.7
<i>CRUDE OIL AND NATURAL GAS OUTLOOK</i>									
Oil Price (\$/barrel) Gross Sales Value	\$31.97	\$40.00	\$42.00	\$35.00	\$38.00	\$32.50	\$36.00	\$32.50	\$34.00
Taxable Oil Sales (million barrels)	66.5	65.2	64.0	64.5	63.4	63.9	62.7	63.3	62.1
Gas Price (\$ per thousand cubic feet) Gross Va	\$4.68	\$5.20	\$5.20	\$4.70	\$4.80	\$4.55	\$4.65	\$4.40	\$4.50
Taxable Gas Sales (billion cubic feet)	1,534	1,534	1,525	1,519	1,510	1,503	1,495	1,488	1,480
*CPI is all Urban, Overnight Yield is the Federal Funds Rate.									
**Overnight Yield = Federal Funds Rate									
***Personal Income growth rates are for calendar years.									
<i>Sources: January 2005 Global Insight, January 2005 FOR-UNM and Consensus Revenue Estimating Group</i>									

GENERAL APPROPRIATION ACT

APPENDIX D

LAWS 2005 CHAPTER 33 (with partial veto)

Agency	General Fund	Other State Funds	Internal Service Funds/Inter Agency Trnsfrs	Federal Funds	Total
SECTION 4 FY06 Operating Recurring:					
Legislative	3,357.0	-	-	-	3,357.0
Judicial	154,831.9	14,263.1	7,996.8	5,360.3	182,452.1
General Control	147,599.9	282,483.1	644,083.7	36,833.5	1,111,000.2
Commerce & Industry	45,866.6	40,240.6	11,357.4	843.4	98,308.0
Agric., Enrgy & Ntrl Res	67,310.0	41,813.8	50,152.6	30,348.8	189,625.2
Health, Hospitals & Human Svcs	1,111,600.4	187,946.6	232,498.9	2,801,326.5	4,333,372.4
Public Safety	292,062.5	25,736.4	12,247.3	51,191.8	381,238.0
Transportation	-	408,267.2	-	315,491.7	723,758.9
Other Education	19,154.3	14,268.8	-	40,761.5	74,184.6
Higher Education	691,118.5	1,007,353.8	4,781.0	499,648.4	2,202,901.7
Public School Support	2,107,196.3	1,300.0	-	352,000.0	2,460,496.3
Total Sec 4 Recurring	\$ 4,640,097.4	\$ 2,023,673.4	\$ 963,117.7	\$ 4,133,805.9	\$ 11,760,694.4
Recurring: Section 8					
Compensation	\$ 26,612.9	-	-	-	\$ 26,612.9
Section 11					
Save Smart Reductions	\$ (3,200.0)	-	-	-	\$ (3,200.0)
TOTAL RECURRING	\$ 4,663,510.3	\$ 2,023,673.4	\$ 963,117.7	\$ 4,133,805.9	\$ 11,784,107.3
Recurring: Sections 5 and 6					
Specials	17,154.0	1,295.0	-	-	18,449.0
Supplemental & Deficiency	6,000.0	-	-	-	6,000.0
Total Recurring	\$ 23,154.0	\$ 1,295.0	\$ -	\$ -	\$ 24,449.0
Nonrecurring: Sections 5, 6, and 7					
Specials	45,510.8	2,361.0	-	-	47,871.8
Supplemental & Deficiency	2,456.8	-	4,058.0	-	6,514.8
Data Processing	-	-	-	-	-
Total Nonrecurring	\$ 47,967.6	\$ 2,361.0	\$ 4,058.0	\$ -	\$ 54,386.6
Nonrecurring: Sections 5 and 7					
Education Lock Box	\$ 14,950.0	-	-	-	\$ 14,950.0
Appropriation Contingency	\$ 5,000.0	-	-	-	\$ 5,000.0
Total Nonrecurring	\$ 19,950.0	\$ -	\$ -	\$ -	\$ 19,950.0
TOTAL SECTIONS 5, 6 & 7	\$ 91,071.6	\$ 3,656.0	\$ 4,058.0	\$ -	\$ 98,785.6

RECURRING GENERAL FUND AGENCY SUMMARY
FISCAL YEAR 2006
(dollars in thousands)

APPENDIX E

Code	Department Name	FY05 Operating Budget	LFC Total Recommend	Exec Total Recommend	Governor's Action	Final Based On Governor's Action	Compensation Distribution	Save Smart Reductions	Total General Fund Appropriation	Final Dollar Change	Percent Change	GF Percent of Total
FEED BILL:												
111	LEGISLATIVE COUNCIL SERVICE	4,246.2	4,570.3	4,569.7	-	4,570.3	-	-	4,570.3	324.1	7.6%	0.1%
112	LEGISLATIVE FINANCE COMMITTEE	456.3	3,461.3	3,458.2	-	3,461.3	-	-	3,461.3	3,005.0	658.6%	0.1%
114	SENATE CHIEF CLERK	951.9	972.1	972.1	-	983.3	-	-	983.3	31.4	3.3%	0.0%
115	HOUSE CHIEF CLERK	921.1	948.9	949.0	-	960.7	-	-	960.7	39.6	4.3%	0.0%
117	LEGISLATIVE EDUCATION STUDY COMMITTEE	957.9	974.3	972.4	-	974.3	-	-	974.3	16.4	1.7%	0.0%
131	LEGISLATURE	1,284.9	1,284.9	1,284.3	-	1,634.9	-	-	1,634.9	350.0	27.2%	0.0%
LEGISLATIVE		8,818.3	12,211.8	12,205.7		12,584.8			12,584.8	3,766.5	42.7%	0.3%
GENERAL APPROPRIATION ACT:												
111	ENERGY COUNCIL DUES	32.0	32.0	32.0	-	32.0	-	-	32.0	-	0.0%	0.0%
111	LEGISLATIVE RETIREMENT	266.0	-	266.0	-	-	-	-	-	(266.0)	-100.0%	0.0%
111	LEGISLATIVE COUNCIL SERVICE	65.5	-	-	-	-	52.5	-	52.5	(13.0)	-19.8%	0.0%
112	LEGISLATIVE FINANCE COMMITTEE	2,905.0	-	-	-	-	45.8	-	45.8	(2,859.2)	-98.4%	0.0%
114	SENATE CHIEF CLERK	17.0	-	-	-	-	12.7	-	12.7	(4.3)	-25.3%	0.0%
115	HOUSE CHIEF CLERK	17.5	-	-	-	-	12.8	-	12.8	(4.7)	-26.9%	0.0%
117	LEGISLATIVE EDUCATION STUDY COMMITTEE	16.4	-	-	-	-	12.2	-	12.2	(4.2)	-25.6%	0.0%
119	LEGISLATIVE BUILDING SERVICES	3,316.3	3,325.0	3,324.0	-	-	35.6	-	35.6	(3,280.7)	-98.9%	0.0%
131	LEGISLATURE	2.7	-	-	-	3,325.0	-	-	3,325.0	3,322.3	123048.1%	0.1%
LEGISLATIVE		6,638.4	3,357.0	3,622.0		3,357.0	171.6		3,528.6	(3,109.8)	-46.8%	0.1%
205	SUPREME COURT LAW LIBRARY	1,592.4	1,637.0	1,590.4	-	1,637.0	10.2	-	1,647.2	54.8	3.4%	0.0%
208	NEW MEXICO COMPILATION COMMISSION	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
210	JUDICIAL STANDARDS COMMISSION	428.4	457.1	563.4	-	573.1	7.1	-	580.2	151.8	35.4%	0.0%
215	COURT OF APPEALS	4,603.8	4,669.3	4,594.1	-	4,694.3	74.2	-	4,768.5	164.7	3.6%	0.1%
216	SUPREME COURT	2,303.8	2,314.7	2,394.8	-	2,394.8	34.3	-	2,429.1	125.3	5.4%	0.1%
218	ADMINISTRATIVE OFFICE OF THE COURTS	29,473.4	30,993.6	31,943.9	-	31,898.4	298.0	(31.6)	32,164.8	2,691.4	9.1%	0.7%
219	SUPREME COURT BUILDING COMMISSION	682.8	696.7	680.9	-	696.7	6.9	-	703.6	20.8	3.0%	0.0%
231	FIRST JUDICIAL DISTRICT COURT	4,999.4	5,064.7	4,993.6	-	5,163.7	71.1	-	5,234.8	235.4	4.7%	0.1%
232	SECOND JUDICIAL DISTRICT COURT	17,071.4	17,283.3	17,478.2	-	17,674.0	254.0	(20.1)	17,907.9	836.5	4.9%	0.4%
233	THIRD JUDICIAL DISTRICT COURT	4,500.4	4,567.9	4,555.3	-	4,752.1	60.1	-	4,812.2	311.8	6.9%	0.1%
234	FOURTH JUDICIAL DISTRICT COURT	1,134.3	1,225.3	1,131.5	-	1,225.3	17.9	-	1,243.2	108.9	9.6%	0.0%
235	FIFTH JUDICIAL DISTRICT COURT	4,140.3	4,191.3	4,130.1	-	4,262.3	58.6	-	4,320.9	180.6	4.4%	0.1%
236	SIXTH JUDICIAL DISTRICT COURT	1,958.5	1,971.4	1,947.5	-	1,971.4	25.1	-	1,996.5	38.0	1.9%	0.0%
237	SEVENTH JUDICIAL DISTRICT COURT	1,484.0	1,491.4	1,479.9	-	1,491.4	19.8	-	1,511.2	27.2	1.8%	0.0%
238	EIGHTH JUDICIAL DISTRICT COURT	2,009.1	2,036.8	2,000.6	-	2,076.4	21.0	-	2,097.4	88.3	4.4%	0.0%
239	NINTH JUDICIAL DISTRICT COURT	1,875.2	1,956.7	2,182.6	-	2,041.4	27.5	-	2,068.9	193.7	10.3%	0.0%
240	TENTH JUDICIAL DISTRICT COURT	596.9	607.9	594.3	-	607.9	9.0	-	616.9	20.0	3.4%	0.0%
241	ELEVENTH JUDICIAL DISTRICT COURT	3,516.3	3,609.9	4,132.6	-	3,751.7	51.2	-	3,802.9	286.6	8.2%	0.1%
242	TWELFTH JUDICIAL DISTRICT COURT	2,090.0	2,149.2	2,082.9	-	2,186.8	28.6	-	2,215.4	125.4	6.0%	0.0%
243	THIRTEENTH JUDICIAL DISTRICT COURT	3,483.6	3,603.2	3,785.6	-	3,709.8	47.0	-	3,756.8	273.2	7.8%	0.1%
244	BERNALILLO COUNTY METROPOLITAN COURT	16,728.4	17,561.2	17,536.9	-	17,876.0	217.7	(24.3)	18,069.4	1,341.0	8.0%	0.4%
251	FIRST JUDICIAL DISTRICT ATTORNEY	3,423.2	3,496.9	3,450.2	-	3,556.9	75.3	-	3,632.2	209.0	6.1%	0.1%
252	SECOND JUDICIAL DISTRICT ATTORNEY	13,343.1	13,460.9	13,301.8	-	13,619.6	327.2	(8.8)	13,938.0	594.9	4.5%	0.3%
253	THIRD JUDICIAL DISTRICT ATTORNEY	2,763.3	2,829.6	2,755.5	-	2,829.6	67.7	-	2,897.3	134.0	4.8%	0.1%
254	FOURTH JUDICIAL DISTRICT ATTORNEY	2,225.3	2,311.2	2,215.1	-	2,411.2	49.7	-	2,460.9	235.6	10.6%	0.1%
255	FIFTH JUDICIAL DISTRICT ATTORNEY	3,031.1	3,125.4	3,024.7	-	3,125.4	65.5	-	3,190.9	159.8	5.3%	0.1%
256	SIXTH JUDICIAL DISTRICT ATTORNEY	1,691.8	1,686.5	1,686.5	-	1,686.5	42.1	-	1,728.6	36.8	2.2%	0.0%
257	SEVENTH JUDICIAL DISTRICT ATTORNEY	1,824.1	1,835.1	1,815.5	-	1,835.1	42.5	-	1,877.6	53.5	2.9%	0.0%
258	EIGHTH JUDICIAL DISTRICT ATTORNEY	1,959.3	2,039.1	1,948.9	-	2,039.1	41.4	-	2,080.5	121.2	6.2%	0.0%
259	NINTH JUDICIAL DISTRICT ATTORNEY	1,839.8	1,866.9	1,833.9	-	1,916.9	42.3	-	1,959.2	119.4	6.5%	0.0%
260	TENTH JUDICIAL DISTRICT ATTORNEY	723.7	733.4	719.9	-	733.4	15.0	-	748.4	24.7	3.4%	0.0%
261	ELEVENTH JUDICIAL DISTRICT ATTORNEY	2,498.3	2,545.3	2,489.1	-	2,545.3	51.4	-	2,596.7	98.4	3.9%	0.1%
262	TWELFTH JUDICIAL DISTRICT ATTORNEY	2,052.2	2,061.9	2,041.9	-	2,061.9	38.2	-	2,100.1	47.9	2.3%	0.0%
263	THIRTEENTH JUDICIAL DISTRICT ATTORNEY	2,843.7	3,086.1	2,833.0	-	3,140.8	72.0	-	3,212.8	369.1	13.0%	0.1%
264	ADMINISTRATIVE OFFICE OF THE DISTRICT ATTORNEYS	1,006.7	1,156.7	983.3	-	1,020.0	8.4	-	1,028.4	21.7	2.2%	0.0%
265	ELEVENTH JUDICIAL DISTRICT ATTORNEY, DIV II	1,611.4	1,625.7	1,731.3	-	1,625.7	30.3	-	1,656.0	44.6	2.8%	0.0%
JUDICIAL		147,509.4	151,949.3	152,629.7		154,831.9	2,308.3	(84.8)	157,055.4	9,546.0	6.5%	3.4%

RECURRING GENERAL FUND AGENCY SUMMARY
 FISCAL YEAR 2006
 (dollars in thousands)

APPENDIX E

Code	Department Name	FY05 Operating Budget	LFC Total Recommend	Exec Total Recommend	Governor's Action	Final Based On Governor's Action	Compensation Distribution	Save Smart Reductions	Total General Fund Appropriation	Final Dollar Change	Percent Change	GF Percent of Total
305	ATTORNEY GENERAL	11,088.7	11,548.4	12,051.3	-	11,551.3	155.3	(14.4)	11,692.2	603.5	5.4%	0.3%
308	STATE AUDITOR	2,285.5	2,257.7	2,281.6	-	2,281.6	26.5	-	2,308.1	22.6	1.0%	0.0%
333	TAXATION AND REVENUE DEPARTMENT	56,506.9	56,866.7	60,930.9	-	56,692.1	572.0	(519.9)	56,744.2	237.3	0.4%	1.2%
337	STATE INVESTMENT COUNCIL	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
341	DEPARTMENT OF FINANCE AND ADMINISTRATION	11,363.4	11,432.6	11,315.3	-	11,306.0	141.3	(70.0)	11,377.3	13.9	0.1%	0.2%
342	PUBLIC SCHOOL INSURANCE AUTHORITY	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
343	RETIREE HEALTH CARE AUTHORITY	10.0	10.0	10.0	-	10.0	-	-	10.0	-	0.0%	0.0%
344	DFA SPECIAL APPROPRIATIONS	3,929.6	3,985.8	4,035.8	-	4,135.8	-	-	4,135.8	206.2	5.2%	0.1%
350	GENERAL SERVICES DEPARTMENT	11,011.8	11,241.2	11,649.6	-	11,241.2	89.8	(18.5)	11,312.5	300.7	2.7%	0.2%
352	EDUCATIONAL RETIREMENT BOARD	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
354	NEW MEXICO SENTENCING COMMISSION	606.8	606.8	606.8	-	606.8	-	-	606.8	-	0.0%	0.0%
355	PUBLIC DEFENDER DEPARTMENT	29,988.0	31,224.9	30,883.4	-	30,965.7	579.3	(27.8)	31,517.2	1,529.2	5.1%	0.7%
356	GOVERNOR	4,218.4	4,410.0	4,373.6	-	4,373.1	53.5	(14.0)	4,412.6	194.2	4.6%	0.1%
360	LIEUTENANT GOVERNOR	631.1	618.9	612.1	-	618.9	6.3	-	625.2	(5.9)	-0.9%	0.0%
361	OFFICE OF THE CHIEF INFORMATION OFFICER	963.5	969.4	1,151.2	-	945.8	12.8	-	958.6	(4.9)	-0.5%	0.0%
366	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
369	STATE COMMISSION OF PUBLIC RECORDS	2,164.9	2,208.0	2,159.7	-	2,230.4	32.8	-	2,263.2	98.3	4.5%	0.0%
370	SECRETARY OF STATE	2,930.5	3,021.7	2,936.5	-	2,989.2	28.6	(20.7)	2,997.1	66.6	2.3%	0.1%
378	PERSONNEL BOARD	3,866.6	3,957.4	4,170.5	-	3,932.0	55.8	(18.4)	3,969.4	102.8	2.7%	0.1%
379	PUBLIC EMPLOYEES LABOR RELATIONS BOARD	305.2	311.7	350.2	-	311.7	3.2	-	314.9	9.7	3.2%	0.0%
394	STATE TREASURER	3,426.4	3,452.0	3,566.7	-	3,408.3	39.0	-	3,447.3	20.9	0.6%	0.1%
GENERAL CONTROL		145,297.3	148,123.2	153,085.2	-	147,599.9	1,796.2	(703.7)	148,692.4	3,395.1	2.3%	3.2%
404	BOARD OF EXAMINERS FOR ARCHITECTS	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
417	BORDER AUTHORITY	377.7	422.6	420.5	-	422.6	4.7	-	427.3	49.6	13.1%	0.0%
418	TOURISM DEPARTMENT	8,370.2	8,192.6	8,742.3	-	8,164.7	43.7	(33.8)	8,174.6	(195.6)	-2.3%	0.2%
419	ECONOMIC DEVELOPMENT DEPARTMENT	6,514.3	6,520.8	7,024.9	-	6,161.4	69.3	(22.3)	6,208.4	(305.9)	-4.7%	0.1%
420	REGULATION & LICENSING DEPARTMENT	13,027.5	13,228.2	13,031.0	-	13,031.0	171.5	(53.9)	13,148.6	121.1	0.9%	0.3%
430	PUBLIC REGULATION COMMISSION	13,463.3	10,128.6	9,784.9	-	10,185.3	115.4	(21.6)	10,279.1	(3,184.2)	-23.7%	0.2%
446	MEDICAL BOARD	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
449	BOARD OF NURSING	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
460	NEW MEXICO STATE FAIR	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
464	ST BRD LICENSURE/ PROF ENGINEERS & SURVEYORS	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
465	GAMING CONTROL BOARD	5,030.0	5,488.2	5,814.5	-	5,814.5	56.5	(11.1)	5,859.9	829.9	16.5%	0.1%
469	STATE RACING COMMISSION	1,899.8	1,987.1	2,087.2	-	1,987.1	16.3	-	2,003.4	103.6	5.5%	0.0%
479	BOARD OF VETERINARY MEDICINE	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
490	CUMBRES AND TOLTEC RAILROAD	800.0	120.0	100.0	-	100.0	-	-	100.0	(700.0)	-87.5%	0.0%
COMMERCE AND INDUSTRY		49,482.8	46,088.1	47,005.3	-	45,866.6	477.4	(142.7)	46,201.3	(3,281.5)	-6.6%	1.0%
505	DEPARTMENT OF CULTURAL AFFAIRS	26,331.0	26,845.0	27,541.5	(250.0)	26,420.5	296.6	(66.7)	26,650.4	319.4	1.2%	0.6%
508	NEW MEXICO LIVESTOCK BOARD	941.0	941.0	887.1	-	887.1	10.2	-	897.3	(43.7)	-4.6%	0.0%
516	DEPARTMENT OF GAME AND FISH	179.6	179.6	1,179.6	-	179.6	2.3	-	181.9	2.3	1.3%	0.0%
521	ENERGY, MINERALS AND NATURAL RESOURCES	19,993.8	20,451.5	22,167.9	-	20,514.0	261.1	(48.1)	20,727.0	733.2	3.7%	0.4%
522	YOUTH CONSERVATION CORPS	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
539	COMMISSIONER OF PUBLIC LANDS	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
550	STATE ENGINEER	17,237.4	19,105.9	15,562.9	-	19,032.1	313.5	(30.6)	19,315.0	2,077.6	12.1%	0.4%
569	ORGANIC COMMODITY COMMISSION	276.7	276.7	272.6	-	276.7	3.4	-	280.1	3.4	1.2%	0.0%
AGRICULTURE, ENERGY & NAT'L RESOURCES		64,959.5	67,799.7	67,611.6	(250.0)	67,310.0	887.1	(145.4)	68,051.7	3,092.2	4.8%	1.5%
601	COMMISSION ON THE STATUS OF WOMEN	464.8	464.8	1,900.8	-	464.8	7.3	-	472.1	7.3	1.6%	0.0%
603	OFFICE OF AFRICAN AMERICAN AFFAIRS	330.5	327.8	421.1	-	421.1	1.5	-	422.6	92.1	27.9%	0.0%
604	CMSN/DEAF AND HARD-OF-HEARING PERSONS	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
605	MARTIN LUTHER KING, JR. COMMISSION	232.1	232.1	255.4	-	255.4	1.9	-	257.3	25.2	10.9%	0.0%
606	COMMISSION FOR THE BLIND	1,537.1	1,573.0	1,515.2	-	1,551.1	19.8	-	1,570.9	33.8	2.2%	0.0%
609	INDIAN AFFAIRS DEPARTMENT	2,229.9	2,233.2	2,371.7	-	2,371.7	9.2	-	2,380.9	151.0	6.8%	0.1%
624	AGING AND LONG-TERM SERVICES DEPARTMENT	23,467.4	31,725.6	35,197.2	-	36,183.3	63.6	(18.2)	36,228.7	12,761.3	54.4%	0.8%

RECURRING GENERAL FUND AGENCY SUMMARY
FISCAL YEAR 2006
(dollars in thousands)

APPENDIX E

Code	Department Name	FY05 Operating Budget	LFC Total Recommend	Exec Total Recommend	Governor's Action	Final Based On Governor's Action	Compensation Distribution	Save Smart Reductions	Total General Fund Appropriation	Final Dollar Change	Percent Change	GF Percent of Total
630	HUMAN SERVICES DEPARTMENT	544,265.8	630,580.0	625,062.9	(500.0)	626,265.9	412.5	(445.7)	626,232.7	81,966.9	15.1%	13.4%
631	LABOR DEPARTMENT	1,541.7	2,513.4	10,831.0	-	1,631.0	10.0	-	1,641.0	99.3	6.4%	0.0%
632	WORKERS' COMPENSATION ADMINISTRATION	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
644	DIVISION OF VOCATIONAL REHABILITATION	5,570.5	5,609.2	5,848.1	-	5,770.2	29.2	-	5,799.4	228.9	4.1%	0.1%
645	GOVERNOR'S COMMISSION ON DISABILITY	566.7	578.6	617.6	-	578.6	7.4	-	586.0	19.3	3.4%	0.0%
647	DEVELOPMENTAL DISABILITIES PLANNING COUNCIL	2,813.7	2,968.1	2,912.4	-	3,042.4	7.5	-	3,049.9	236.2	8.4%	0.1%
662	MINERS' HOSPITAL OF NEW MEXICO	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
665	DEPARTMENT OF HEALTH	258,705.4	269,016.0	264,110.6	(100.0)	272,139.5	1,352.3	(652.8)	272,839.0	14,133.6	5.5%	5.8%
667	DEPARTMENT OF ENVIRONMENT	14,758.8	14,758.8	14,170.8	-	13,370.8	180.8	(24.2)	13,527.4	(1,231.4)	-8.3%	0.3%
668	OFFICE OF THE NATURAL RESOURCES TRUSTEE	145.8	287.3	298.1	-	230.1	4.1	-	234.2	88.4	60.6%	0.0%
669	NEW MEXICO HEALTH POLICY COMMISSION	1,407.7	1,355.4	1,394.3	-	1,355.4	11.8	-	1,367.2	(40.5)	-2.9%	0.0%
670	DEPARTMENT OF VETERANS' SERVICES	2,232.8	2,232.8	2,247.2	-	2,247.2	20.7	(10.0)	2,257.9	25.1	1.1%	0.0%
690	CHILDREN, YOUTH & FAMILIES DEPARTMENT	149,989.1	144,660.0	144,335.2	-	143,721.9	1,263.9	(212.6)	144,773.2	(5,215.9)	-3.5%	3.1%
HEALTH, HOSPITALS & HUMAN SERVICES		1,010,259.8	1,111,116.1	1,113,489.6	(600.0)	1,111,600.4	3,403.5	(1,363.5)	1,113,640.4	103,380.6	10.2%	23.8%
705	DEPARTMENT OF MILITARY AFFAIRS	5,289.7	5,407.3	5,266.4	-	5,286.4	44.2	(30.4)	5,300.2	10.5	0.2%	0.1%
760	PAROLE BOARD	359.7	365.9	425.2	-	365.9	4.6	-	370.5	10.8	3.0%	0.0%
765	JUVENILE PAROLE BOARD	368.2	375.2	374.7	-	375.2	4.8	-	380.0	11.8	3.2%	0.0%
770	CORRECTIONS DEPARTMENT	207,567.3	215,406.8	211,088.3	-	211,742.8	1,682.8	(521.1)	212,904.5	5,337.2	2.6%	4.6%
780	CRIME VICTIMS REPARATION COMMISSION	1,726.3	1,799.7	1,747.5	-	1,747.5	11.6	-	1,759.1	32.8	1.9%	0.0%
790	DEPARTMENT OF PUBLIC SAFETY	73,501.5	74,914.8	73,505.7	-	72,544.7	1,748.8	(158.3)	74,135.2	633.7	0.9%	1.6%
PUBLIC SAFETY		288,812.7	298,269.7	292,407.8	-	292,062.5	3,496.8	(709.8)	294,849.5	6,036.8	2.1%	6.3%
805	STATE HIGHWAY & TRANSPORTATION DEPARTMENT	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
TRANSPORTATION		-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
925	OTHER EDUCATION	6,918.1	6,718.1	17,518.1	-	7,518.1	-	-	7,518.1	600.0	8.7%	0.2%
930	REGIONAL EDUCATION COOPERATIVES	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
940	PUBLIC SCHOOL FACILITIES AUTHORITY	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
OTHER EDUCATION		6,918.1	6,718.1	17,518.1	-	7,518.1	-	-	7,518.1	600.0	8.7%	0.2%
950	COMMISSION ON HIGHER EDUCATION	32,410.0	34,039.0	32,898.4	-	34,589.0	25.6	(22.5)	34,592.1	2,182.1	6.7%	0.7%
952	UNIVERSITY OF NEW MEXICO	255,098.6	261,737.5	260,277.6	-	260,134.6	-	-	260,134.6	5,036.0	2.0%	5.6%
954	NEW MEXICO STATE UNIVERSITY	161,015.2	167,132.0	166,735.2	-	166,082.3	-	-	166,082.3	5,067.1	3.1%	3.6%
956	NEW MEXICO HIGHLANDS UNIVERSITY	25,755.0	25,930.4	25,839.0	-	25,785.9	-	-	25,785.9	30.9	0.1%	0.6%
958	WESTERN NEW MEXICO UNIVERSITY	16,440.2	16,899.5	16,814.4	-	16,769.7	-	-	16,769.7	329.5	2.0%	0.4%
960	EASTERN NEW MEXICO UNIVERSITY	37,875.2	38,744.2	38,581.8	-	38,527.0	-	-	38,527.0	651.8	1.7%	0.8%
962	NM INSTITUTE OF MINING & TECHNOLOGY	32,272.8	33,255.7	33,041.7	-	32,741.1	-	-	32,741.1	468.3	1.5%	0.7%
964	NORTHERN NM COMMUNITY COLLEGE	8,268.2	8,097.3	8,074.1	-	8,067.9	-	-	8,067.9	(200.3)	-2.4%	0.2%
966	SANTA FE COMMUNITY COLLEGE	12,452.0	12,542.3	12,470.3	-	12,361.1	-	-	12,361.1	(90.9)	-0.7%	0.3%
968	TECHNICAL VOCATIONAL INSTITUTE	44,071.3	48,004.6	47,781.8	-	47,700.1	-	-	47,700.1	3,628.8	8.2%	1.0%
970	LUNA VOCATIONAL TECHNICAL INSTITUTE	6,699.4	7,110.4	7,092.7	-	7,088.8	-	-	7,088.8	389.4	5.8%	0.2%
972	MESALANDS COMMUNITY COLLEGE	2,326.5	2,372.3	2,366.5	-	2,364.8	-	-	2,364.8	38.3	1.6%	0.1%
974	NEW MEXICO JUNIOR COLLEGE	7,983.1	7,151.5	7,117.8	-	7,110.4	-	-	7,110.4	(872.7)	-10.9%	0.2%
976	SAN JUAN COLLEGE	19,072.4	19,713.1	19,645.3	-	19,619.7	-	-	19,619.7	547.3	2.9%	0.4%
977	CLOVIS COMMUNITY COLLEGE	9,495.9	10,064.7	10,036.9	-	10,028.0	-	-	10,028.0	532.1	5.6%	0.2%
978	NEW MEXICO MILITARY INSTITUTE	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
979	NM SCHL VISUALLY HANDICAPPED	11.5	164.6	11.5	-	164.6	-	-	164.6	153.1	1331.3%	0.0%
980	NM SCHOOL FOR THE DEAF	658.1	1,839.0	658.1	-	1,983.5	-	-	1,983.5	1,325.4	201.4%	0.0%
982	HIGHER EDUCATION COMPENSATION	-	13,893.3	13,643.2	-	13,893.3	-	-	13,893.3	13,893.3	#DIV/0!	0.3%
HIGHER EDUCATION		671,905.4	708,691.4	703,086.3	-	705,011.8	25.6	(22.5)	705,014.9	33,109.5	4.9%	15.1%
924	PUBLIC EDUCATION DEPARTMENT	11,493.3	11,636.2	11,783.1	-	11,636.2	153.1	(27.6)	11,761.7	268.4	2.3%	0.3%
993	PUBLIC SCHOOL SUPPORT	1,974,906.4	2,089,893.0	2,047,013.5	-	2,092,687.7	-	-	2,092,687.7	117,781.3	6.0%	44.8%
995	PUBLIC SCHOOL COMPENSATION	-	13,991.7	14,436.1	-	14,508.6	-	-	14,508.6	14,508.6	#DIV/0!	0.3%
PUBLIC SCHOOL SUPPORT		1,986,399.7	2,115,520.9	2,073,232.7	-	2,118,832.5	153.1	(27.6)	2,118,958.0	132,558.3	6.7%	45.3%

RECURRING GENERAL FUND AGENCY SUMMARY
 FISCAL YEAR 2006
 (dollars in thousands)

APPENDIX E

Code	Department Name	FY05 Operating Budget	LFC Total Recommend	Exec Total Recommend	Governor's Action	Final Based On Governor's Action	Compensation Distribution	Save Smart Reductions	Total General Fund Appropriation	Final Dollar Change	Percent Change	GF Percent of Total
	STATE AGENCY COMPENSATION	-	7,340.9	11,154.7	-	10,799.3	(10,799.3)	-	-	-	#DIV/0!	0.0%
	SPECIAL COMP - State police, MTD, SID	-	-	-	-	1,114.5	(1,114.5)	-	-	-	#DIV/0!	0.0%
	SPECIAL COMP - Public Defenders	-	-	-	-	261.7	(261.7)	-	-	-	#DIV/0!	0.0%
	COMP - Attorney Staff	-	-	-	-	544.1	(544.1)	-	-	-	#DIV/0!	0.0%
	UNDISTRIBUTED COMPENSATION (1% BONUS)	285.1	-	-	-	-	-	-	-	(285.1)	-100.0%	0.0%
	SAVE SMART NEW MEXICO SAVINGS	-	-	(3,270.0)	2,000.0	(3,200.0)	-	3,200.0	-	-	#DIV/0!	0.0%
	OTHER	285.1	7,340.9	7,884.7	2,000.0	9,519.6	(12,719.6)	3,200.0	-	(285.1)	-100.0%	0.0%
	TOTAL GENERAL APPROPRIATION ACT	4,378,468.2	4,664,974.4	4,631,573.0	1,150.0	4,663,510.3	-	-	4,663,510.3	285,042.1	6.5%	99.7%
	TOTAL FEED BILL AND GENERAL APPROPRIATION ACT	4,387,286.5	4,677,186.2	4,643,778.7	1,150.0	4,676,095.1	-	-	4,676,095.1	288,808.6	6.6%	100.0%
	FEED BILL:											
	LEGISLATIVE	8,818.3	12,211.8	12,205.7	-	12,584.8	-	-	12,584.8	3,766.5	42.7%	0.3%
	GENERAL APPROPRIATION ACT:											
	LEGISLATIVE	6,638.4	3,357.0	3,622.0	-	3,357.0	171.6	-	3,528.6	(3,109.8)	-46.8%	0.1%
	JUDICIAL	147,509.4	151,949.3	152,629.7	-	154,831.9	2,308.3	(84.8)	157,055.4	9,546.0	6.5%	3.4%
	GENERAL CONTROL	145,297.3	148,123.2	153,085.2	-	147,599.9	1,796.2	(703.7)	148,692.4	3,395.1	2.3%	3.2%
	COMMERCE & INDUSTRY	49,482.8	46,088.1	47,005.3	-	45,866.6	477.4	(142.7)	46,201.3	(3,281.5)	-6.6%	1.0%
	AG., ENERGY & NATURAL RESOURCES	64,959.5	67,799.7	67,611.6	(250.0)	67,310.0	887.1	(145.4)	68,051.7	3,092.2	4.8%	1.5%
	HEALTH, HOSPITALS & HUMAN SERVICES	1,010,259.8	1,111,116.1	1,113,489.6	(600.0)	1,111,600.4	3,403.5	(1,363.5)	1,113,640.4	103,380.6	10.2%	23.8%
	PUBLIC SAFETY	288,812.7	298,269.7	292,407.8	-	292,062.5	3,496.8	(709.8)	294,849.5	6,036.8	2.1%	6.3%
	TRANSPORTATION	-	-	-	-	-	-	-	-	-	#DIV/0!	0.0%
	OTHER EDUCATION	6,918.1	6,718.1	17,518.1	-	7,518.1	-	-	7,518.1	600.0	8.7%	0.2%
	HIGHER EDUCATION	671,905.4	708,691.4	703,086.3	-	705,011.8	25.6	(22.5)	705,014.9	33,109.5	4.9%	15.1%
	PUBLIC SCHOOL SUPPORT	1,986,399.7	2,115,520.9	2,073,232.7	-	2,118,832.5	153.1	(27.6)	2,118,958.0	132,558.3	6.7%	45.3%
	OTHER	285.1	7,340.9	7,884.7	2,000.0	9,519.6	(12,719.6)	3,200.0	-	(285.1)	-100.0%	0.0%
	TOTAL GENERAL APPROPRIATION ACT	4,378,468.2	4,664,974.4	4,631,573.0	1,150.0	4,663,510.3	-	-	4,663,510.3	285,042.1	6.5%	99.7%
	TOTAL FEED BILL AND GENERAL APPROPRIATION	4,387,286.5	4,677,186.2	4,643,778.7	1,150.0	4,676,095.1	-	-	4,676,095.1	288,808.6	6.6%	100.0%

NOTE: HSD reflects a reduction of \$500.0 under Governor's Action which is actually a result of SB112 that did not pass.

Special, Supplemental and Deficiency Appropriation

Code	Agency	Fiscal Year	GOVERNOR'S ACTION			Description
			General Fund	Other Funds/ Federal Funds	Total	
SPECIAL/NEW INITIATIVES APPROPRIATIONS						
215	Court of Appeals	2005	140.0	-	140.0	For imaging and retro-conversion of backlogged microfilmed documents.
218	Administrative Office of the Courts	2005	500.0	-	500.0	For statewide court building security needs.
218	Administrative Office of the Courts	2005	1,000.0	-	1,000.0	For information technology equipment upgrades.
218	Administrative Office of the Courts	2005	250.0	-	250.0	For jury and witness fees and court appointed attorneys.
252	Second Judicial District Attorney	2005	125.0	-	125.0	To buyout furniture lease.
264	Administrative Office of the District Attorneys	2006	699.0	-	699.0	For personal services and employee benefits and other costs related to the initiation of new judgeships contingent on enacting House Bill 901 or similar legislation of the first session of the forty-seventh legislature.
305	Attorney General	2005	-	295.0	295.0	For prosecution of methamphetamine cases and a term full time equivalent attorney.
305	Attorney General	2005	250.0	-	250.0	For Otero mesa litigation.
341	Department of Finance and Administration	2005	800.0	-	800.0	For the weatherization program.
341	Department of Finance and Administration	2005	250.0	-	250.0	For schools outreach.
341	Department of Finance and Administration	2005	2,000.0	-	2,000.0	Twenty percent match to leverage \$16 million from federal EPA. (Drinking Water State Revolving Loan Fund)
341	Department of Finance and Administration	2005	50.0	-	50.0	For implementation by Torrance county of the Estancia basin water plan.
341	Department of Finance and Administration	2005	4,000.0	-	4,000.0	For a voluntary pre-kindergarten program for expenditure in fiscal years 2005, 2006 and 2007.
354	Sentencing Commission	2005	200.0	-	200.0	For a comprehensive workload study.
355	Public Defender Department	2005	640.0	-	640.0	For case support.
355	Public Defender Department	2006	550.0	-	550.0	For personal services and employee benefits and other costs related to the initiation of new judgeships contingent on enacting House Bill 901 or similar legislation of the first session of the forty-seventh legislature.
355	Public Defender Department	2005	450.0	-	450.0	For compensation increases for contract public defenders.
355	Public Defender Department	2005	300.0	-	300.0	For providing a fee structure for contracting representation for defendants in death penalty cases.

Special, Supplemental and Deficiency Appropriation

361	Office of the Chief Information Officer	2005	150.0	-	150.0	For a rate study at the general services department.
418	Tourism Department	2005	1,500.0	-	1,500.0	For advertising, promotion and outreach, including cooperative advertising, with contingency language.
418	Tourism Department	2005	150.0	-	150.0	For an Indian tourism program.
419	Economic Development Department	2005	500.0	-	500.0	For rail yard relocation.
419	Economic Development Department	2005	300.0	-	300.0	For military base planning. - Contingent on a New Mexico base being targeted for closure by BRAC.
419	Economic Development Department	2005	1,000.0	-	1,000.0	For economic development partnership with contingency for matching funds.
430	Public Regulation Commission	2005	-	150.0	150.0	For engineering, design and construction of fire fighting wastewater lagoons at the New Mexico firefighter training academy.
430	Public Regulation Commission	2005	-	75.0	75.0	For engineering, design and construction of a women's shower and locker facility at the New Mexico firefighter training academy.
430	Public Regulation Commission	2005	-	15.0	15.0	For engineering safety evaluation of the burn building and other training props at the New Mexico firefighter training academy.
505	Department of Cultural Affairs	2006	60.0	-	60.0	For a state commemorative quarter commission
505	Department of Cultural Affairs	2005	50.0	-	50.0	For the Fort Stanton commission
508	New Mexico Livestock Board	2005	400.0	-	400.0	For development and implementation of the animal identification system (Bovine Spongiform Encephalopathy) - includes language for continuation through FY07
521	Energy, Minerals and Natural Resources Department	2005	80.0	-	80.0	For the state parks night sky program
521	Energy, Minerals and Natural Resources Department	2005	97.0	-	97.0	For radio equipment replacement
521	Energy, Minerals and Natural Resources Department	2005	100.0	-	100.0	For red rock state park
521	Energy, Minerals and Natural Resources Department	2005	300.0	-	300.0	For acquisition and planning at Shakespeare ghost town state park.
539	Commissioner of Public Lands	2005	-	1,000.0	1,000.0	For trust lands remediation activities
550	State Engineer	2005	3,000.0	-	3,000.0	For interstate stream commission compact compliance
550	State Engineer	2005	2,390.0	-	2,390.0	To fund permanent full-time equivalent positions
550	State Engineer	2005	366.8	-	366.8	To fund permanent full-time equivalent positions for abstracting water rights backlog.

Special, Supplemental and Deficiency Appropriation

624	Aging and Long Term Services Department	2005	300.0	-	300.0	For a reserve for emergency expenditures in the aging network program.
632	Workers' Compensation Administration	2005	-	25.0	25.0	To conduct a best practices seminar
665	Department of Health	2005	330.0	-	330.0	For compliance with Jackson lawsuit disengagement.
665	Department of Health	2005	150.0	-	150.0	For contracting an actuarial analysis of statewide drug purchases resulting in recommendations for cross-agency drug purchasing consolidation
665	Department of Health	2005	500.0	-	500.0	For receiverships
665	Department of Health	2005	200.0	-	200.0	For enhancement of a statewide domestic violence victimization survey
665	Department of Health	2005	25.0	-	25.0	For a state immunization information system
665	Department of Health	2005	2,000.0	-	2,000.0	For school based health clinics
665	Department of Health	2005	500.0	-	500.0	For start-up pilot expenses for hepatitis C
665	Department of Health	2005	300.0	-	300.0	For a breast cancer environmental study
690	Children, Youth and Families Dept.	2005	2,345.0	-	2,345.0	For the final year of the Joseph A. consent decree
690	Children, Youth and Families Dept.	2005	2,000.0	-	2,000.0	For the children's trust fund
690	Children, Youth and Families Department	2005	600.0	-	600.0	For IT replacement
705	Military Affairs	2005	500.0	175.0	675.0	For statewide armory renovations.
770	Corrections Department	2005	1,000.0	-	1,000.0	For radios, vests and special equipment for correctional officers
805	Department of Transportation	2005	-	200.0	200.0	For Santa Ana drainage in Sandoval county. From the rubberized asphalt fund.
805	Department of Transportation	2005	-	1,721.0	1,721.0	For design and construction of an interchange at exit 102 on I-40. From the rubberized asphalt fund.
924	Public Education Department	2005	7,000.0	-	7,000.0	For the public education department and local school district's assessment and test development - Lock Box
924	Public Education Department	2005	600.0	-	600.0	For implementation of a uniform chart of accounts - (Lock Box) NOTE: PED states \$1 million would be sufficient.
924	Public Education Department	2005	400.0	-	400.0	For three-tiered licensure evaluation system implementation - Lock Box
924	Public Education Department	2005	300.0	-	300.0	For a licensure and evaluation system for instructional support providers - Lock Box
924	Public Education Department	2005	100.0	-	100.0	For alternative Prueba certification for bilingual students

Special, Supplemental and Deficiency Appropriation

924	Public Education Department	2005	5,000.0	-	5,000.0	From the appropriation contingency fund to augment emergency supplemental funds.
924	Public Education Department	2005	1,000.0	-	1,000.0	For the charter schools stimulus fund
924	Public Education Department	2005	40.0	-	40.0	For statewide student identification maintenance
924	Public Education Department	2005	2,400.0	-	2,400.0	For teacher professional development fund
924	Public Education Department	2005	1,000.0	-	1,000.0	For the school library fund
952	University of New Mexico	2005	400.0	-	400.0	For participation by health sciences center in a health information exchange in Bernalillo an Taos counties.
954	New Mexico State University	2005	1,950.0	-	1,950.0	For phreatophyte eradication with contingency language.
956	New Mexico Highlands University	2005	1,250.0	-	1,250.0	For retiring previously incurred loans.
962	New Mexico Institute of Mining and Technology	2005	1,000.0	-	1,000.0	For the technology research collaborative
962	New Mexico Institute of Mining and Technology	2005	300.0	-	300.0	For hydrological mapping
962	New Mexico Institute of Mining and Technology	2005	275.0	-	275.0	For enhancing oil and gas recovery and natural gas well log library.
962	New Mexico Institute of Mining and Technology	2005	300.0	-	300.0	For contracting with Hidalgo county services to provide renewal and replacement funding to restore and maintain facilities.
978	New Mexico Military Institute	2005	250.0	-	250.0	For the Knowles scholarship fund.
	Computer Systems Enhancement Fund	2005	19,002.0	-	19,002.0	For information technology systems projects.
	Computer Systems Enhancement Fund	2005	6,650.0	-	6,650.0	For information technology systems projects. (Lock Box)
SPECIAL/NEW INITIATIVE TOTAL			82,614.8	3,656.0	86,270.8	
DEFICIENCY APPROPRIATIONS:						
238	Eighth Judicial District Court	2005	15.7	-	15.7	For funding an over obligation of federal grants in fiscal year 2003
342	Public Schools Insurance Authority	2005	-	3,108.0	3,108.0	For a shortfall in the Risk Program
DEFICIENCY TOTAL			15.7	3,108.0	3,123.7	
SUPPLEMENTAL APPROPRIATIONS:						
218	Administrative Office of the Courts	2005	602.8	-	602.8	To fund judiciary-wide shortfalls for jury and witness, and court appointed attorneys.
218	Administrative Office of the Courts	2005	410.0	-	410.0	To fund judiciary-wide shortfalls in group insurance costs
244	Bernalillo County Metropolitan Court	2005	346.3	-	346.3	For shortfalls in group health insurance and worker's compensation costs.

Special, Supplemental and Deficiency Appropriation

343	Retiree Health Care Authority	2005	-	950.0	950.0	Partially restore program support budget
350	General Services Department	2005	500.0	-	500.0	For shortfalls in the aviation bureau in the transportation services division.
370	Secretary of State	2005	110.0	-	110.0	For unforeseen costs incurred as a result of the Ralph Nader lawsuit.
418	Tourism Department	2005	150.0	-	150.0	For the New Mexico sports authority.
465	Gaming Control Board	2005	102.0	-	102.0	For personal services and employee benefits.
521	Energy, Minerals & Natural Resources Dept.	2005	120.0	-	120.0	To cover shortfalls due to significant increase in activity in the Oil and Gas Division as a result of higher prices
665	Department of Health	2005	6,000.0	-	6,000.0	To fund shortfalls in personal services and benefits in the long-term care services program and contract restorations
780	Crime Victims Reparation Cmsn.	2005	100.0	-	100.0	To address record increase in victim claims and payments for FY05
SUPPLEMENTAL TOTAL			8,441.1	950.0	9,391.1	
SPECIAL/NEW INITIATIVE, SUPPLEMENTAL & DEFICIENCY TOTAL			91,071.6	7,714.0	98,785.6	

**Data Processing Appropriations-Section 7
(In Thousands)**

APPENDIX G

Line No.	Code	Agency	System Description	LFC Recommendation			General Appropriations Act Final		
				Other State Funds	Federal Funds	Total Funds	Other State Funds	Federal Funds	Total Funds
1	218	Administrative Office of the Courts	Video arraignment project - Phase IV.	640.0		640.0	640.0		640.0
2	218	Administrative Office of the Courts	Electronic Document Management System (EDMS).	1,200.0		1,200.0	1,200.0		1,200.0
3	218	Administrative Office of the Courts	IT Equipment Refresh for the Judiciary. **	1,000.0		1,000.0			0
4	333	Taxation and Revenue	Oil and Gas Information system .	3,000.0		3,000.0			0
5	333	Taxation and Revenue	Motor Vehicle Division Systems reengineering	750.0		750.0	750.0		750.0
6	341	Dept. of Finance and Administration	IT Equipment refresh for Executive. **	4,500.0		4,500.0			0
7	352	Education Retirement Board	Integrated Retirement Information System (IRIS)	300.0		300.0	300.0		300.0
8	354	NM Sentencing Commission	Justice Information System (JIS)	400.0		400.0	250.0		250.0
9	361	Office of Chief Information Officer	Enterprise Project Management System (EPM).	400.0		400.0			0
10	366	Public Employees Retirement Assoc.	Retirement Information Online (RIO) system.	5,670.0		5,670.0	6,285.9		6,285.9
11	370	Secretary of State	Trademark, and Agricultural Lien applications				62.0		62.0
12	370	Secretary of State	Electronic Campaign Reporting System				50.0		50.0
13	430	Public Regulator Commission	Corporations Information System (CIS).	650.0		650.0	650.0		650.0
14	465	Gaming Control Board	Implement the Advanced Gaming System (AGS).	1,500.0		1,500.0	2,200.0		2,200.0
15	630	Human Services Department	HSD-cubed system, including replacement of ISD2.	2,000.0	4,000.0	6,000.0	1,000.0	6,200.0	7,200.0
16	631	Department of Labor	Unemployment Insurance System: \$1 million for UI Claims \$11.5 million for UI Tax		13,100.0	13,100.0		12,500.0	12,500.0
17	631	Department of Labor	SHARE Federal Reporting					3,500.0	3,500.0
18	665	Department of Health	Medical Billing System.	500.0	300.0	800.0	750.0		750.0
19	665	Department of Health	Pharmacy System.	500.0		500.0			0
20	665	Department of Health	Laboratory Information Management System (LIMS).	500.0	300.0	800.0	1,000.0	900.0	1,900.0
21	667	Department of Environment	Web-Service Enhancement Project (WSEP)						0
22	669	Health Policy Commission	Licensing and Credentialing Web Portal (LCWP)						0
23	669	Health Policy Commission	Automated Patient Record System (Initially a UNM request)				250.0		250.0
24	690	Children, Youth & Families Dept.	Social Services Architecture plan.	500.0		500.0	500.0		500.0
25	770	New Mexico Corrections Department	Criminal Management Information System (web farm).	200.0		200.0	200.0		200.0
26	790	Department of Public Safety	Automated Fingerprinting Imaging System (AFIS).	3,000.0		3,000.0	2,900.0		2,900.0
27	790	Department of Public Safety	For replacement of network wiring and routing equipment.	500.0		500.0	500.0		500.0
28	790	Department of Public Safety	DPS Computer Aided Dispatch (CAD)	1,500.0		1,500.0	1,500.0		1,500.0
29	924	Public Education Department	Decision Support Architecture Consortium (DSAC).	7,000.0		7,000.0	6,650.0		6,650.0
30	940	Public School Facilities Authority	Facilities Information Management System (FIMS)	500.0		500.0	500.0		500.0
31	950	CHE / University Consortium	Upgrade the Net Core Infrastructure of the CHECS network.	2,800.0		2,800.0	2,400.0		2,400.0
32	950	CHE / University Consortium	Consolidate WebCT (remote learning) distribution centers.	2,500.0		2,500.0	2,500.0		2,500.0
		TOTAL	TOTAL (GAA totals do not include vetoed items)	42,010.0	17,700.0	59,710.0	27,387.9	23,100.0	50,487.9

** Moved to a separate, special appropriation.

Agency Code	Agency Name	General Fund	OSF/FF	Description
FISCAL YEAR 2006				
144	Legislative Council Service	71.3		Webcast legislative sessions VETO
218	Administrative Office of the Courts	11.4		Microwave/internet technology - Carrizozo
218	Administrative Office of the Courts	69.4		Court clerk/DWI clerk - Otero magistrate court
218	Administrative Office of the Courts	171.0		Drug Courts
218	Administrative Office of the Courts	66.5		Statewide court programs for children
218	Administrative Office of the Courts	232.8		Neutral corner program
218	Administrative Office of the Courts	95.0		CASA - fifth and other districts
218	Administrative Office of the Courts	11.4		Mediation - abuse and neglect - fifth district court
232	Second District Court	237.5		Adult mental health program
234	Fourth District Court	190.0		Hearing officer/associated staff
236	Sixth District Court	213.8		Juvenile justice continuum services
241	Eleventh District Court	71.3		Salaries/expenses - Farmington
244	Eleventh District Court	76.0		Staff and salaries - Aztec VETO
241	Eleventh District Court	47.5		Contractual services - Gallup
242	Twelfth District Court	121.4		Operating/contractual expenses
252	Second District Attorney	28.5		Truancy program
253	Third District Attorney	161.5		Staff
254	Fourth District Attorney	57.0		Staff
255	Fifth District Attorney	95.0		Operating expenses/additional clerical position VETO
259	Ninth District Attorney	23.8		Salaries/benefits
265	Eleventh District Attorney - Div 2	28.5		Domestic violence attorney
265	Eleventh District Attorney - Div 2	71.3		DWI prosecution
262	Twelfth District Attorney	75.4		Senior trial attorney and additional clerical position VETO
341	Department of Finance and Administration	47.5		Office of Peace, contingent HB280 or similar bill
341	Department of Finance and Administration	19.0		Water/wastewater project grant fund
341	Department of Finance and Administration	380.0		Rodeo programs
341	Department of Finance and Administration	503.5		State police and magistrate court employee salary adjustments
341	Department of Finance and Administration - LGD	28.5		Computer clubhouses - Bernalillo and Santa Fe counties
341	Department of Finance and Administration - LGD	28.5		After-school programming - Santa Barbara/Martineztown
341	Department of Finance and Administration - LGD	57.0		Contract - free/reduced food for low-income McKinley Co. VETO
341	Department of Finance and Administration - LGD	95.0		Electronic monitoring San Juan Co. inmates
341	Department of Finance and Administration - LGD	71.3		Mentoring (Chaves, Eddy, Lea, Roosevelt, Curry, Lincoln Cos.)
341	Department of Finance and Administration - LGD	95.0		Literacy program - Grants
341	Department of Finance and Administration - LGD	16.2		Alto Lakes special zoning district - Lincoln Co.
341	Department of Finance and Administration - LGD	71.3		Alto Lakes water and sanitation district
341	Department of Finance and Administration - LGD	19.0		Hobbs teen court
341	Department of Finance and Administration - LGD	28.5		SE COG
341	Department of Finance and Administration - LGD	38.0		MRCOG study - feasibility of South Valley incorporation
341	Department of Finance and Administration - LGD	42.8		Acequia Commission operations
341	Department of Finance and Administration - LGD	190.0		Domestic violence - second judicial district
341	Department of Finance and Administration - LGD	142.5		Youth outreach program - Santa Fe
341	Department of Finance and Administration - LGD	33.3		Santa Fe teen court
341	Department of Finance and Administration - LGD	47.5		Water conservation/drought mgmt plan - Tatum
341	Department of Finance and Administration - LGD	47.5		Water harvesting demo. project - SF railyard park/plaza
341	Department of Finance and Administration - BOF	26.6		Repay HVMDWA loan
355	Public Defender Department	166.3		Contractual services - Gallup
355	Public Defender Department	57.0		Alternative sentencing services - McKinley/Cibola Cos.
355	Public Defender Department	95.0		Public defender program for Native Americans - Gallup
369	State Commission of Public Records	9.5		NM history scholars program
369	State Commission of Public Records	38.0		State historian's web site
369	State Commission of Public Records	33.3		Survey state-owned property in former common lands/land grants
370	Secretary of State	23.8		Native American voting rights program - Sandoval Co.
418	Tourism	47.5		Intertribal ceremonial office, contingent HB481 or similar bill
418	Tourism	47.5		Tourism conference at Santa Ana Pueblo
418	Tourism	95.0		ABQ tricentennial celebration
418	Tourism	80.8		Gallup outdoor tourism training
418	Tourism	47.5		Promote Santa Fe fiestas
418	Tourism	285.0		Sports Authority, contingent HB58 or similar bill
418	Tourism	118.8		Outreach program promoting art and culture-related events
419	Economic Development Department	76.0		Statewide workplace mentoring program
419	Economic Development Department	63.7		S. Valley incubator center
419	Economic Development Department	95.0		ABQ science/engineering fair
419	Economic Development Department	47.5		Hobbs Mainstreet program
419	Economic Development Department	95.0		Lovington Mainstreet program
419	Economic Development Department	57.0		UNM/planning and arch. Collaboration w. NM Mainstreet program
419	Economic Development Department	4.8		Rural development response council program match funds/grants
419	Economic Development Department	47.5		Economic devt plan - Chimayo chile industry
419	Economic Development Department	66.5		Santa Fe Indian Market film
419	Economic Development Department	23.8		Timber harvesting/processing program - Mora Co.
419	Economic Development Department	171.0		Office of International Trade, contingent SB35 or similar bill
420	Regulation and Licensing Department	95.0		Animal sheltering services, contingent SB414 or similar bill
430	Public Regulation Commission - Fire Marshal	23.8		Pueblo volunteer fire department
430	Public Regulation Commission - Fire Marshal	23.8		Ilfeld volunteer fire department

Agency Code	Agency Name	General Fund	OSF/FF	Description
430	Public Regulation Commission - Fire Marshal	23.8		Rowe volunteer fire department
505	Cultural Affairs Department	95.0		NHCC radio station
505	Cultural Affairs Department	72.2		Symphony music program - Roswell
505	Cultural Affairs Department	95.0		ABQ science center/children's museum ed programs
505	Cultural Affairs Department	190.0		HPD study of preservation tax credit VETO
505	Cultural Affairs Department	47.5		Youth operatic education program - SF
505	Cultural Affairs Department	114.0		Youth performing arts program - SF Co.
505	Cultural Affairs Department	47.5		One FTE - Coronado State Monument
505	Cultural Affairs Department	47.5		Community weaving program - Dona Ana Co.
505	Cultural Affairs Department	19.0		Master plan - NM statehood centennial
505	Cultural Affairs Department	42.8		Camino Real Center/Bosque del Apache Festival of Cranes promotion
505	Cultural Affairs Department	19.0		Museum outreach services statewide
505	Cultural Affairs Department	47.5		Move NM art exhibit to United Nations temp display
505	Cultural Affairs Department	118.8		Theatrical events - ABQ tricentennial
505	Cultural Affairs Department	76.0		Visual/performing arts ed program - Otero Co.
505	Cultural Affairs Department	19.0		Blacks in the West symposium
505	Cultural Affairs Department	33.3		Feasibility study for museum networks
505	Cultural Affairs Department	95.0		Technical assistance, Espanola museums
505	Cultural Affairs Department	190.0		Youth dance program
505	Cultural Affairs Department - Library	104.5		Nonprofit statewide adult literacy contract
505	Cultural Affairs Department - Library	28.5		Anthony public library programs
505	Cultural Affairs Department - Library	30.4		Dona Ana Co valley community library programs
505	Cultural Affairs Department - Library	14.3		Library youth reading program VETO
505	Cultural Affairs Department - Library	9.5		Native language authors conference
505	Cultural Affairs Department - Library	19.0		National poetry slam event in ABQ
505	Cultural Affairs Department - Library	47.5		Archival library systems
505	Cultural Affairs Department - Library	190.0		Literacy program
521	EMNRD	247.0		Forest health/fire safety - east mountains, Bernalillo Co
521	EMNRD	23.8		R&D reverse osmosis to recycle water from oil/gas
521	EMNRD	142.5		Renewable energy program
539	State Land Office	47.5		Natural resource revenue recovery task force
550	State Engineer	57.0		San Jose MDWCA
550	State Engineer	95.0		Animas Valley watershed hydrographic survey
550	State Engineer	80.8		Sante Fe river system water district/water master
551	Interstate Stream Commission	23.8		Salt basin water study
551	Interstate Stream Commission	23.8		Estancia basin water plan
609	Department of Indian Affairs	142.5		Domestic violence shelter svcs for Native American women/children in ABQ
609	Department of Indian Affairs	47.5		Case management - radiation victims and surviving families
609	Department of Indian Affairs	57.0		Youth development programs - Tohatchi chapter
609	Department of Indian Affairs	47.5		Services/outreach Native American victims domestic violence/sexual assault
609	Department of Indian Affairs	95.0		Conference multicultural interactions/attitudes about diversity
609	Department of Indian Affairs	19.0		Four corners education project
609	Department of Indian Affairs	23.8		Native American voters alliance conference
609	Department of Indian Affairs	23.8		Youth development programs - Tohatchi chapter
624	Aging & Long-Term Services	23.8		Alzheimer's disease services
624	Aging & Long-Term Services	23.8		Pecos senior center op expenses
624	Aging & Long-Term Services	23.8		San Miguel senior center op expenses
624	Aging & Long-Term Services	23.8		Mora senior center
624	Aging & Long-Term Services	23.8		Talpa senior center
624	Aging & Long-Term Services	47.5		Navajo Nation elderly intervention specialists
624	Aging & Long-Term Services	4.8		Vaughn senior citizen program
624	Aging & Long-Term Services	9.5		RSVP program
624	Aging & Long-Term Services	19.0		Roosevelt Co senior companion program
624	Aging & Long-Term Services	19.0		Santa Rosa senior citizen program
624	Aging & Long-Term Services	19.0		Puerto del Luna senior citizen program
624	Aging & Long-Term Services	64.1		Des Moines senior services
624	Aging & Long-Term Services	28.5		Harding Co senior services
624	Aging & Long-Term Services	1.4		Amistad senior services
624	Aging & Long-Term Services	5.7		San Jon senior services
624	Aging & Long-Term Services	71.3		S. Valley multipurpose family service center
624	Aging & Long-Term Services	47.5		Naturally occurring retirement communities demo project
624	Aging & Long-Term Services	213.8		Meadowlark senior center emergency asst agent and other ops
624	Aging & Long-Term Services	23.8		Senior centers - Grant Co
630	Human Services Department	99.8		Matching funds TANF family formation progs - Bernalillo DA Cos. VETO
630	Human Services Department	76.0		Statewide homeless programs access
630	Human Services Department	14.3		Socorro homeless program
630	Human Services Department	95.0		Food distribution - So NM counties
631	Department of Labor	4.8		Unemployment insurance task force contingent HB858 or similar bill
644	Division of Vocational Rehabilitation	45.6		Federal match - Tele-work program
644	Division of Vocational Rehabilitation	260.3		Technology assistance loan program
644	Division of Vocational Rehabilitation	71.3		Handicapped worker program - San Juan Co
647	Developmental Disabilities Planning Council	9.5		Statewide referral task force, 211 information/referral system
665	Department of Health	104.5		Women's Health Services - Santa Fe
665	Department of Health	47.5		Esperanza shelter - Santa Fe
665	Department of Health	57.0		Rape crisis services - Santa Fe County

Senate Bill 190 Appropriations

APPENDIX H

Agency Code	Agency Name	General Fund	OSF/FF	Description
665	Department of Health	47.5		Rape crisis services - Bernalillo County
665	Department of Health	19.0		Equestrian program - developmentally disabled persons in Dexter
665	Department of Health	95.0		Stroke detection equipment
665	Department of Health	95.0		Establish stroke centers in hospitals statewide, stroke prevention, treatment, registry
665	Department of Health	76.0		Case management - medically fragile children
665	Department of Health	494.0		Suicide prevention
665	Department of Health	38.0		Mental health services - Dona Ana Co.
665	Department of Health	9.5		Community-based cancer patient support services
665	Department of Health	142.5		Public health/social service delivery programs - Bernalillo Co
665	Department of Health	190.0		Detox/behavioral health care (substance abuse) - Farmington area
665	Department of Health	23.8		San Miguel Medical Center
665	Department of Health	23.8		Pecos ambulance
665	Department of Health	23.8		Mora Medical Center
665	Department of Health	28.5		Mora County ambulance
665	Department of Health	33.3		Cuba ambulance
665	Department of Health	23.8		Diabetes ed program - NW NM
665	Department of Health	9.5		Outpatient program - substance abuse, Taos, Colfax, Union Cos.
665	Department of Health	47.5		Indigent services contract(s) - Las Cruces
665	Department of Health	23.8		Fort Bayard Medical Center
665	Department of Health	23.8		Special Olympics
665	Department of Health	57.0		Association of Retarded Citizens
665	Department of Health	14.3		Very Special Arts Program
665	Department of Health	47.5		Rural primary care clinics - Otero Co.
665	Department of Health	33.3		Alcohol/substance abuse treatment - Talpa
665	Department of Health	95.0		Interactive telemedicine screening/treatment - hepatitis C
665	Department of Health	104.5		Gambling addiction study
665	Department of Health	19.0		Nurse clinical teaching institute
665	Department of Health	47.5		Low-income, uninsured, high-risk pregnant women services - Dona Ana Co.
665	Department of Health	80.8		Screenign tests for infant congenital diseases
667	Department of Environment	95.0		Asbestos abatement - Mesa Road, Belen
667	Department of Environment	47.5		Federal match - water reclamation study in Gallup
670	Veterans' Services Department	47.5		Native American veteran outreach program
670	Veterans' Services Department	47.5		Homeless veteran services
670	Veterans' Services Department	4.8		Honor guard, Santa Fe National Cemetary
690	Children, Youth and Families	23.8		Youth Council
690	Children, Youth and Families	47.5		Early childhood teachers/programs
690	Children, Youth and Families	28.5		Preschool program - ABQ N. Valley
690	Children, Youth and Families	142.5		Services for homeless children - ABQ S. Valley
690	Children, Youth and Families	47.5		Preschool - developmentally disabled children - Roswell\
690	Children, Youth and Families	9.5		Grandparents raising at-risk children program - Dona Ana, S. Otero Cos.
690	Children, Youth and Families	95.0		Domestic violence shelter - Lincoln Co.
690	Children, Youth and Families	47.5		Early childhood training/professional development satellite - rural communities
690	Children, Youth and Families	31.4		After-school programs - S. Valley
690	Children, Youth and Families	64.6		Youth summer job program - Grants and Milan
690	Children, Youth and Families	33.3		Family strengthening services - Taos Co
690	Children, Youth and Families	33.3		Homeless abused/neglected youth services - Taos Co
690	Children, Youth and Families	38.0		McKinley Co Juvenile Center
690	Children, Youth and Families	85.5		At-home infant care program
690	Children, Youth and Families	95.0		Domestic violence programs statewide
690	Children, Youth and Families	47.5		Grandparents raising at-risk children program - Dona Ana, Otero Cos.
690	Children, Youth and Families	47.5		Domestic violence shelter - Shiprock
690	Children, Youth and Families	23.8		Americorps
690	Children, Youth and Families	47.5		Supplement payments to foster care parents
690	Children, Youth and Families	19.0		Family development program statewide training/outreach
690	Children, Youth and Families	90.3		Domestic violence program in Torrance Co
690	Children, Youth and Families	47.5		Youth leadership mentor program - Chaves Co
690	Children, Youth and Families	95.0		Domestic violence shelter - ABQ
690	Children, Youth and Families	190.0		Native American domestic violence program
705	Department of Military Affairs	171.0		Multinational Task Force (134) supplies/equipment
705	Department of Military Affairs	28.5		Civil Air Patrol cadet program - at-risk middle schools
705	Department of Military Affairs	47.5		National guard support program
705	Department of Military Affairs	47.5		After-school program at Taos National Guard Armory for at-risk youth
770	Department of Corrections/Community Corr Grant Fund	123.5		Housing assistance for parolees - ABQ and Santa Fe
790	Department of Public Safety	71.3		Methamphetamine task force - San Juan Co
790	Department of Public Safety	33.3		Rural crime prevention program - Otero Co
790	Department of Public Safety	71.3		Anti-victimization program for women
790	Department of Public Safety	71.3		DWI enforcement ABQ
924	Public Education Department	57.0		After-school programs for at-risk (academic/social failure) low-income students
924	Public Education Department	44.7		Parental involvement strategies training
924	Public Education Department	76.0		Library and multimedia equipment -Carlsbad, Artesia, Alamagordo, Lovington, and Cloudfcroft school districts

Senate Bill 190 Appropriations

APPENDIX H

Agency Code	Agency Name	General Fund	OSF/FF	Description
924	Public Education Department	171.0		Literacy plan - O'Keeffe, Desert Ridge, Eisenhower, Dennis Chaves, Hubert Humphrey, Double Eagle Schools in APS
924	Public Education Department	266.0		Professional devpt, library materials, ed technology - Des Moines, Grady, House, Logan, Maxwell, Mosquero, Roy, San Jon districts
924	Public Education Department	47.5		Professional devpt on educational needs of students with autism spectrum disorder
924	Public Education Department	5.7		Fiesta Educativa Parent Conference/outreach - Gadsden ISD
924	Public Education Department	5.7		Statewide conference on gangs/drugs - Gadsden ISD
924	Public Education Department	47.5		Laptop technician - Hobbs
924	Public Education Department	95.0		Mid-school math and science training - Espanola PSD
924	Public Education Department	95.0		Espanola Military Academy Charter School
924	Public Education Department	34.9		Dexter ISD extracurricular activities
924	Public Education Department	34.9		Hagerman ISD extracurricular activities
924	Public Education Department	34.8		Lake Arthur ISD extracurricular activities
924	Public Education Department	47.5		Web-based learning project - Portales MSD
924	Public Education Department	14.3		Library books - Capitan MSD
924	Public Education Department	19.0		Library books - Ruidoso MSD
924	Public Education Department	19.0		Summer school programs - Ruidoso MSD
924	Public Education Department	19.0		Band instruments to loan - Ruidoso MSD
924	Public Education Department	19.0		Football/basketball equipment, travel - Ruidoso mid-school
924	Public Education Department	38.0		Character Counts program
924	Public Education Department	142.5		Professional development - Valley and Del Norte clusters, APS
924	Public Education Department	47.5		NM government education fund, contingent HB268 or similar bill
924	Public Education Department	23.8		First annual NM youth day, West Mesa HS in APS
924	Public Education Department	47.5		Contract to retain/employ recent college grads to teach in Gallup-McKinley Co PSD
924	Public Education Department	142.5		Smaller learning communities pilot project - Santa Fe, Batpal HSS in Santa Fe PSD
924	Public Education Department	28.5		Automate individualized education plan - Santa Fe PSD
924	Public Education Department	47.5		Model multicultural arts and ed prog in English and Spanish
924	Public Education Department	47.5		Nutritionists contingent HB721 or similar bill.
924	Public Education Department	33.3		Summerbridge Academy, Taos MSD
924	Public Education Department	71.3		Bilingual ed position, coaching staff, West Las Vegas HS
924	Public Education Department	71.3		Literacy strategies training, Jemez Valley PSD
924	Public Education Department	47.5		Substance/child abuse prevention/intervention training - Pojoaque Valley School District
924	Public Education Department	313.5		Free admission to athletic events, contingent HG1026 or similar bill
924	Public Education Department	77.9		Saturday School program - Grants-Cibola CSD
924	Public Education Department	47.5		Restorative Justice Program, Amy Biehl Charter HS in APS
924	Public Education Department	19.0		Goddard High School extracurricular activities, Roswell ISD
924	Public Education Department	19.0		Roswell High School extracurricular activities, Roswell ISD
924	Public Education Department	19.0		Capitan MSD ag-related extracurricular activities
924	Public Education Department	475.0		Elementary student breakfasts
924	Public Education Department	475.0		Obesity programs
924	Public Education Department	1,425.0		Phys ed classes, contingent HB62 or similar bill
924	Public Education Department	475.0		Truancy prevention
924	Public Education Department	190.0		Advanced placement classes
924	Public Education Department	285.0		Domestic violence recognition/training program
924	Public Education Department	23.8		Summer enrichment program - Truchas, Ojo Sarco, Cordova
950	Commission on Higher Education	28.5		.5 faculty at a post-secondary institution to adminster pre-dental clubs
950	Commission on Higher Education	38.0		Clovis CC - agrbusiness curriculum
950	Commission on Higher Education	47.5		Mesalands CC athletics
950	Commission on Higher Education	190.0		NM Junior College Western Heritage Museum
950	Commission on Higher Education	66.5		Nurse educators fund, contingent HB509 or similar bill.
950	Commission on Higher Education	38.0		Small business development center - Socorro and Catron Cos
950	Commission on Higher Education	71.3		Luna Vo-Tech Institute baseball team
950	Commission on Higher Education	47.5		Admin manager and research assistant, Resource Center for Raza Planning, UNM school of Arch and Planning.
950	Commission on Higher Education	76.0		Mesalands CC programs
950	Commission on Higher Education	21.9		Mesalands CC intercollegiate rodeo program
950	Commission on Higher Education	47.5		NM Junior College southeastern law enforcement academy instruction
950	Commission on Higher Education	47.5		NM Junio College for interactive television classrooms/regional distance ed consortium
950	Commission on Higher Education	76.0		San Juan College for continuation of educational/recreational center
950	Commission on Higher Education	47.5		Clovis CC - performing arts/cultural programs
950	Commission on Higher Education	38.0		NE NM learning center
950	Commission on Higher Education	38.0		Plan Rio Rancho learning center
952	University of New Mexico	669.8		School of Medicine BA - MD combined program
952	University of New Mexico	247.0		Law school library
952	University of New Mexico	28.5		Navy Reserve Officer Training Corps historic building maint/impvmts
952	University of New Mexico	95.0		Indigenous nations library program, Zimmerman Library
952	University of New Mexico	98.8		El Centro de la Raza Service Center
952	University of New Mexico	266.9		Comprehensive planning programs

VETO

VETO

Agency Code	Agency Name	General Fund	OSF/FF	Description
952	University of New Mexico	38.0		Corinne Wolfe Children's Law Center assistance on child abuse, neglect and juvenile justice
952	University of New Mexico	147.3		Graduate research development fund
952	University of New Mexico	142.5		Latin American student recruitment
952	University of New Mexico	142.5		College preparatory mentoring programs in APS
952	University of New Mexico	180.5		Utton Transboundary Resources Center
952	University of New Mexico	175.8		Pediatric oncology programs
952	University of New Mexico	95.0		Taos branch campus
952	University of New Mexico	95.0		ENLACE los companeros mentoring program
952	University of New Mexico	47.5		Post-doc in clinical toxicology at NM Poison Control Center
952	University of New Mexico	47.5		Center for Regional Studies
952	University of New Mexico	47.5		Health Sciences Center health data exchange - Bernalillo, Taos Cos
952	University of New Mexico	95.0		To operate a Young Children's Medical Center in SE Heights, ABQ
952	University of New Mexico	171.0		To enhance pre-college minority students' mathematics/science skills
952	University of New Mexico	28.5		Center for Latin American Resources and Outreach Program
952	University of New Mexico	104.5		Health Sciences Center special perinatal program
952	University of New Mexico	76.0		Charlie Morrissey Research Hall for science, mathematics, and robotics distance learning curriculum
952	University of New Mexico	19.0		Coordinate Charlie Morrissey Research Hall with African-American performing arts center community research
952	University of New Mexico	28.5		African-American stay-in-school program
952	University of New Mexico	23.8		Statewide consulting on autism and related concerns
952	University of New Mexico	71.3		Judicial education center for domestic violence training - judges
952	University of New Mexico	38.0		Water rights ombusman at Utton Transboundary Resources Center
952	University of New Mexico	20.9		High school mock trial program
952	University of New Mexico	19.0		African-American student service center
954	New Mexico State University	104.5		Science, Engineering, Mathematics, Aerospace Academy
954	New Mexico State University	280.3		Equestrian program
954	New Mexico State University	152.0		Aerospace engineering department
954	New Mexico State University	47.5		Aeronautics and space program
954	New Mexico State University	38.0		Nursing education initiatives
954	New Mexico State University	80.8		Viticulture program
954	New Mexico State University	128.3		Water management research at Ag experiment stations and extension
954	New Mexico State University	80.8		Water Resources Research Institute
954	New Mexico State University	42.8		NMDA to match funds for pink bollworm control
954	New Mexico State University	194.8		Ag Science Center in Farmington - horticulturist and tech support staff
954	New Mexico State University	95.0		Applied health science scholarships @ Alamagordo, Carlsbad campuses
954	New Mexico State University	47.5		Professional staff@Ag Science Center at Memorial Middle School
954	New Mexico State University	76.0		Las Vegas city PSD
954	New Mexico State University	95.0		4-H program in cooperative extension
954	New Mexico State University	71.3		NMDA wildlife services program
954	New Mexico State University	71.3		Promote farmers' markets
954	New Mexico State University	80.8		Promote Santa Fe farmers' market
954	New Mexico State University	23.8		Pecan tree pest control
954	New Mexico State University	28.5		Promote financial and economic literacy
954	New Mexico State University	28.5		Alliance for underrepresented students
954	New Mexico State University	28.5		Center for Border and Indigenous Educational Leadership
954	New Mexico State University	28.5		College Assistance Migrant Program
954	New Mexico State University	23.8		Specialty crop program, NMDA
954	New Mexico State University	23.8		Food and Ag Policy Council
954	New Mexico State University	47.5		Family strengthening/parenting classes
954	New Mexico State University	19.0		BA completion program in information/communication technology
954	New Mexico State University	95.0		Increase profitability/yield of chile crops
954	New Mexico State University	47.5		Comprehensive hydrogeologic study of Sacramento mountains
954	New Mexico State University	23.8		Ag Science Center in Clovis
954	New Mexico State University	71.3		Ag Science Center in Tucumcari
954	New Mexico State University	28.5		Dental hygiene program at Dona Ana branch
954	New Mexico State University	33.3		Music department jazz band at Alamagordo branch
954	New Mexico State University	28.5		Math and science skills for disadvantaged students for entry into science and engineering
954	New Mexico State University	47.5		Increase students in Grants teacher ed center & # who complete program
954	New Mexico State University	71.3		NMDA small farmer initiative
954	New Mexico State University	47.5		NMDA marketing program
956	New Mexico Highlands University	23.8		Upward Bound
956	New Mexico Highlands University	95.0		Men's wrestling program
956	New Mexico Highlands University	142.5		Women's rodeo program
956	New Mexico Highlands University	38.0		International student recruitment
956	New Mexico Highlands University	59.9		Second chance program
956	New Mexico Highlands University	95.0		Leadership and policy institute
956	New Mexico Highlands University	47.5		Immersion English language program in Las Vegas, immersion Spanish language program in Chihuahua

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Senate Bill 190 Appropriations

APPENDIX H

Agency Code	Agency Name	General Fund	OSF/FF	Description
958	Western New Mexico University	95.0		Athletic field maintenance
958	Western New Mexico University	175.8		Nursing program
958	Western New Mexico University	213.8		Web-based teacher licensure
958	Western New Mexico University	114.0		Athletics
960	Eastern New Mexico University	190.0		General Instruction
960	Eastern New Mexico University	85.5		Special services occupational training
960	Eastern New Mexico University	57.0		Youth violence prevention programs statewide
960	Eastern New Mexico University	80.8		Hobbs Center for graduate education
960	Eastern New Mexico University	142.5		Athletic Department
960	Eastern New Mexico University	95.0		Men's soccer programs
960	Eastern New Mexico University	23.8		Interactive television classrooms/distance ed
960	Eastern New Mexico University	57.0		Mathematics educational specialist program
962	New Mexico Institute of Mining and Tech.	247.0		Counterterrorism research/training - Playas
962	New Mexico Institute of Mining and Tech.	152.0		Petroleum Recovery Research Center
962	New Mexico Institute of Mining and Tech.	95.0		Energetic Material Research Center
962	New Mexico Institute of Mining and Tech.	104.5		Technology research collaborative contingent SB169 or similar bill
962	New Mexico Institute of Mining and Tech.	57.0		Annual decision makers seminars
962	New Mexico Institute of Mining and Tech.	308.8		Institute for complex additive systems analysis
962	New Mexico Institute of Mining and Tech.	95.0		Cave karst Institute program
962	New Mexico Institute of Mining and Tech.	142.5		Aerospace engineering department
962	New Mexico Institute of Mining and Tech.	47.5		Supercomputing training middle/high school students
	Northern New Mexico State School	104.5		Dean, College of Education position
	Northern New Mexico State School	285.0		Teacher education program
	Northern New Mexico State School	73.2		Train middle school teachers in math, science, technology
978	New Mexico Military Institute	213.8		Knowles legislative scholarship program
790	Department of Public Safety	-	1,500.0	To Motor Transportation Division for operations at Santa Teresa port of entry
TOTAL FY06 GENERAL FUND (does not include vetoed items)		29,937.3	1,500.0	
FY05 AND FY06 APPROPRIATIONS				
111	Legislative Council Service		75.0	For historical and other acquisitions and other support of capitol art collection fot the state capitol
341	Department of Finance and Administration	95.0		Annual state high school basketball tournament costs
341	Department of Finance and Administration	47.5		Study division of APS into two or more school districts
341	Department of Finance and Administration	237.5		Computer clubhouses in Bernalillo and Santa Fe Counties
341	Department of Finance and Administration	190.0		Technical assistance to Acequia Commission and acequias
341	Department of Finance and Administration	285.0		Drunkbusters hotline
341	Department of Finance and Administration	475.0		Gang initiatives
341	Department of Finance and Administration	950.0		Pre-K contingent HB337 or similar bill
370	Secretary of State	71.3		Election reform
419	Economic Development Department	237.5		Manufacturing extension services contingent on NIST funds
505	Cultural Affairs Department	23.8		NM music promotion
609	Department of Indian Affairs	237.5		Navajo code talker documentary
609	Department of Indian Affairs	237.5		To settle outstanding trespass issues
665	Department of Health	285.0		Behavioral health services - DA County, So NM
770	Department of Corrections	142.5		Opiate replacement program, contingent SB426 or similar bill
924	Public Education Department	237.5		Geography education
924	Public Education Department	475.0		Virtual high school - Rio Rancho PSD
924	Public Education Department	950.0		Computerized learning system
924	Public Education Department	224.2		Cimarron online school pilot project, contingent HB633 or similar bill
950	Commission on Higher Education	475.0		NM Junior College - NM virtual college
950	Commission on Higher Education	237.5		Luna Vo-Tech Institute - summer student advancement insittuite, student government leadership developjent program
950	Commission on Higher Education	503.5		NM small business development center at SF community college
950	Commission on Higher Education	712.5		ENLACE at UNM, NMSU, SFCC
	UNM	275.5		Bruce King Archives and Reading Room
	Northern NM State School	190.0		Teacher education program
TOTAL FY05 APPROPRIATIONS (does not include vetoed items)		7,795.7	75.0	
HOUSE BILL 1053 APPROPRIATIONS (contingent HB1053 or similar bill)				
609	Department of Indian Affairs	47.5		Indian Pueblo Cultural Center
609	Department of Indian Affairs	95.0		Master plan Santa Fe Indian School
630	Human Services Department	38.0		Hunger Task Force
950	Commission on Higher Education	446.5		NM small business development center at SF community college
956	New Mexico Highlands University	190.0		Policy and Leaderhsp Institute
TOTAL HB1053 (does not include vetoed items)		817.0		

STATEWIDE CAPITAL OUTLAY APPROPRIATIONS

APPENDIX I

Project Title	Amount (\$000s)	Source
LEGISLATIVE PROJECTS		
Senior Citizen Centers/Vehicles/Equipment	5,400	GF
Statewide Armory Improvements	500	GF
Metropolitan Court Building	500	GF
Camp Sierra Blanca	500	GF
CYFD YDDC and NM Boys' School	2,000	GF
HSD Facilities	600	GF
State Buildings Renovation	1,000	GF
Correctional Facilities	2,000	GF
Labor Department Facilities	500	GF
Corrections Radios and Vests	500	GF
Correctional Facilities Security	2,000	GF
National Hispanic Cultural Center Ed. Bldg	750	GF
Archaeology Center	4,500	GF
Cultural Affairs Facilities	1,000	GF
Cumbres & Toltec Track and Locomotive	1,000	GF
Mainstreet Improvement	1,000	GF
Park Improvements	1,000	GF
Surface Water	1,000	GF
Elephant Butte Channel	250	GF
Dam Renovations	2,000	GF
Expo New Mexico Facilities	1,500	GF
Water Resource Infrastructure	5,000	GF
Tribal Infrastructure	3,000	GF
Farms and Ranch Lands	1,000	GF
Microwave Radio System Conversion	5,000	GF
Health Facilities	1,000	GF
Pecos River Compact Compliance	2,000	GF
School Laptop Initiative	1,000	GF
Public School Buses	600	GF
Lordsburg Point of Entry Building	500	GF
DPS Fleet	500	GF
Motor Vehicle Division Field Offices	900	GF
UNM Centennial Engineering Center	3,000	GF
TOTAL	53,000	
EXECUTIVE PROJECTS		
Manufacturing Infrastructure	2,000	GF
Economic Development Initiative	11,400	GF
Bosque Trail - North	3,000	GF
Clean Energy Projects	3,000	GF
Water Resource Infrastructure	4,000	GF
Affordable Housing	10,000	GF
Primary Care Capital Fd - School-Based Health Ctr	800	GF
Tele-Health	1,006	GF
DOH School-Based Facilities	300	GF
Los Morros Business Park	4,541	GF
Pecos River Compact Compliance	10,000	STB
TOTAL	50,047	

GENERAL APPROPRIATION ACT OF 2005 (CS/HB 2, et al., as amended)
PUBLIC SCHOOL SUPPORT AND RELATED APPROPRIATIONS FOR FY 06
(Dollars in Thousands)

APPENDIX J

	FY 05 APPROPRIATION	CS/HB 2, et al., as amended Chapter 33 (partial veto) Laws of 2005	
1 PROGRAM COST	\$1,802,906.6	\$1,903,074.6	1
2 Adjustment for Overprojection of FY 04 Cash Balance Credit	(\$11,600.0)		2
3 Adjusted Program Cost	\$1,791,306.6		3
4 ENROLLMENT GROWTH	\$5,200.0	\$14,700.0	4
5 FIXED COSTS	\$1,900.0	\$2,100.0	5
6 INSURANCE COSTS	\$19,000.0	\$16,300.0	6
7 COMPENSATION for Public School Employees: 1.25 percent in FY 06			7
8 Teachers	\$19,276.0	\$6,252.5	8
9 Instructional Staff	\$3,531.1	\$2,381.9	9
10 Other Certified and Non-certified	\$7,991.7	\$5,372.7	10
11 Annualize FY 04 6.0 percent raise in FY 05 for Teachers & Instructional Staff	\$25,830.5		11
12 Minimum Salaries – Three-tiered Licensure Structure			12
13 Levels 2 & 3 to \$35,000 in FY 05	\$8,638.7		13
14 Levels 2 & 3 to \$40,000 in FY 06		\$51,800.0	14
15 Minimum Salary – Educational Assistants ¹	\$5,000.0	\$1,900.0	15
16 Increase in Employer's ERB Contribution (.75 percent)		\$11,780.6	16
17 Full-day Kindergarten Phase V	\$9,600.0		17
18 Full-day Kindergarten – Replace TANF Funds		\$4,000.0	18
19 Student Assessment CRTs/School District Costs	\$1,800.0	\$2,000.0	19
20 Elementary Fine Arts (Year 3)	\$4,000.0	\$6,000.0	20
21 PROGRAM COST	\$1,903,074.6	\$2,027,662.3	21
22 Dollar Increase Over FY 05 Appropriation		\$124,587.7	22
23 Percentage Increase		6.5%	23
24 LESS PROJECTED CREDITS	(\$61,000.0)	(\$58,600.0)	24
25 LESS OTHER STATE FUNDS (from driver's license fees)	(\$1,700.0)	(\$1,300.0)	25
26 STATE EQUALIZATION GUARANTEE	\$1,840,374.6	\$1,967,762.3	26
27 Dollar Increase Over FY 05 Appropriation		\$127,387.7	27
28 Percentage Increase		6.9%	28
29 CATEGORICAL PUBLIC SCHOOL SUPPORT			29
30 TRANSPORTATION			30
31 Operational	\$84,717.8	\$87,678.7	31
32 School-owned Bus Replacements	\$342.6	\$176.4	32
33 Rental Fees (Contractor-owned Buses)	\$12,336.0	\$11,296.5	33
34 Compensation	\$840.4	\$501.5	34
35 Increase in Employer's ERB Contribution (.75 percent)		\$300.9	35
36 TOTAL TRANSPORTATION	\$98,236.8	\$99,954.0	36
37 SUPPLEMENTAL DISTRIBUTIONS			37
38 Out-of-state Tuition	\$495.0	\$380.0	38
39 Emergency Supplemental	\$2,600.0	\$2,000.0	39
40 INSTRUCTIONAL MATERIAL FUND	\$26,600.0	\$30,500.0	40
41 EDUCATIONAL TECHNOLOGY FUND	\$5,000.0	\$5,000.0	41
42 INCENTIVES FOR SCHOOL IMPROVEMENT FUND	\$1,600.0	\$1,600.0	42
43 SCHOOLS IN NEED OF IMPROVEMENT FUND	Federal Funds	Federal Funds	43
44 TOTAL CATEGORICAL	\$134,531.8	\$139,434.0	44
45 TOTAL PUBLIC SCHOOL SUPPORT	\$1,974,906.4	\$2,107,196.3	45
46 Dollar Increase Over FY 05 Appropriation		\$132,289.9	46
47 Percentage Increase		6.7%	47
48 RELATED APPROPRIATIONS: RECURRING			48
49 Public Education Department	\$11,493.3	\$11,636.2	49
50 Apprenticeship Assistance	\$650.0	\$650.0	50
51 Beginning Teacher Mentorship	\$900.0	\$900.0	51
52 Core Curriculum Framework	\$381.6	\$381.6	52
53 Family and Youth Resource Act	\$1,800.0	\$1,500.0	53
54 GRADS – Teen Pregnancy Prevention		\$1,000.0	54
55 Indian Education Act of 2003	\$2,500.0	\$2,500.0	55
56 Kindergarten Plus	\$100.0	\$400.0	56
57 Teacher Loan for Service (to CHE)	\$386.5	\$186.5	57
58 TOTAL RELATED APPROPRIATIONS: RECURRING	\$18,211.4	\$19,154.3	58
59 GRAND TOTAL	\$1,993,117.8	\$2,126,350.6	59
60 Dollar Increase Over FY 05 Appropriation		\$133,232.8	60
61 Percentage Increase		6.7%	61

GENERAL APPROPRIATION ACT OF 2005 (CS/HB 2, et al., as amended)
PUBLIC SCHOOL SUPPORT AND RELATED APPROPRIATIONS FOR FY 06
(Dollars in Thousands)

APPENDIX J

		FY 05 APPROPRIATION	CS/HB 2, et al., as amended Chapter 33 (partial veto) Laws of 2005	
62	Section 5: Special Nonrecurring Appropriations to PED			62
63	ADS upgrade to meet NCLB requirements	\$500.0	*n	63
64	Adult GED Initiative	\$200.0	*n	64
65	Assessment & Test Development – (for FY 05, FY 06, FY 07 & FY 08)		\$7,000.0	*I
66	Bullying Prevention	\$350.0	*n	66
67	Center for NM Border Educator Leadership	\$200.0	*n	67
68	Charter School Expanded Services	\$475.0	*n	68
69	CHARTER SCHOOLS STIMULUS FUND – (for FY 05 & FY 06)	\$200.0	\$1,000.0	69
70	Dance Activity Program/In-school or Residency	\$100.0	*n	70
71	Dropout Prevention Program	\$200.0	*n	71
72	Education Support (1 FTE)	\$113.6	*n	72
73	Educator Preparation: Three-tiered Licensure Support (includes 1 FTE)	\$47.6	*n	73
74	Emergency Supplemental ² – (for FY 05 & FY 06)		\$5,000.0	74
75	Family School Readiness Program (Even Start)	\$200.0	*n	75
76	Governor's Commission on Teaching	\$50.0	*n	76
77	Indian Education (1 FTE)	\$113.6	*n	77
78	Information Technology Education Reform Support (1 FTE)	\$113.6	*n	78
79	Information Technology Infrastructure Upgrade and Network	\$200.0	*n	79
80	INSTRUCTIONAL MATERIAL FUND	\$1,500.0		80
81	Magnet Career Academy	\$200.0	*n	81
82	Math and Science Standards-based Education Technology	\$200.0	*n	82
83	Middle College Dropout Initiative	\$100.0	*n	83
84	Prueba de Español – (for FY 05 & FY 06)		\$100.0	84
85	Rural Ed. Initiatives	\$300.0	*n	85
86	Rural Education (1 FTE)	\$113.6	*n	86
87	Rural School Advanced Placement Acceleration Program	\$100.0	*n	87
88	School District and PED Quality Assurance and District Interface (1 FTE)	\$113.6	*n	88
89	SCHOOL LIBRARY MATERIAL FUND – (for FY 05 & FY 06)	\$1,000.0	\$1,000.0	89
90	Student ID System (maintenance) – (for FY 05 & FY 06)	\$93.0	*n	\$40.0
91	Student Assessment	\$385.5	*n	91
92	Student Assessment Criterion-referenced Testing – State-level Costs	\$350.0	*n	92
93	Teacher Licensing Support (includes 1 FTE)	\$140.0	*n	93
94	TEACHER PROFESSIONAL DEVELOPMENT FUND ³ – (for FY 05 & FY 06)	\$2,400.0	*n	\$2,400.0
95	Three-tiered Licensure Evaluation System: Teachers ⁴ – (for FY 05 & FY 06)	\$1,000.0	*n	\$400.0
96	Truancy Initiative	\$500.0	*n	96
97	Uniform Public School Chart of Accounts – (for FY 05, FY 06 & FY 07)	\$1,800.0	*n	\$600.0
98	Vocational High School Model	\$225.0	*n	98
99	Total Nonrecurring to PED	\$13,584.1		\$17,540.0
100	Section 5: Special Nonrecurring Appropriations to Other Agencies			100
101	Pre-kindergarten Pilot Program for 4-year-olds (to DFA) – <i>contingent on passage of HB 337 or similar legislation</i> – (for FY 05, FY 06 & FY 07)		\$4,000.0	101
102	Public School Funding Formula Study (to LCS)		\$200.0	*I
103	Schools Outreach (to DFA) – (for FY 05 & FY 06)		\$250.0	103
104	Start-up School-based Health Clinics (to DOH) – (for FY 05 & FY 06)		\$2,000.0	104
105	Total Nonrecurring to Other Agencies		\$6,250.0	105
106	TOTAL SPECIAL NONRECURRING APPROPRIATIONS	\$13,584.1		\$23,790.0
107	Section 7: Data Processing Appropriations			107
108	Data Warehouse at PED (includes 4 Term FTEs) – (for FY 05, FY 06 & FY 07)		\$6,650.0	*I

GENERAL APPROPRIATION ACT OF 2005 (CS/HB 2, et al., as amended)
PUBLIC SCHOOL SUPPORT AND RELATED APPROPRIATIONS FOR FY 06
(Dollars in Thousands)

APPENDIX J

	FY 05 APPROPRIATION	CS/HB 2, et al., as amended Chapter 33 (partial veto) Laws of 2005
RECURRING AND NONRECURRING REFORM INITIATIVES		
*r Public School Reform Initiatives (recurring)		
Base Recurring Reform	\$36,325.2	\$46,995.2
FY 04 dollars: \$5.2 million for \$30,000 minimum teacher salary; \$2.0 million for CRTs; and \$470,000 for National Board Certification	\$8,170.0	
Portion of 2.0% salary increase adjustment for teachers and educational assistants	\$2,500.0	
New Recurring Reform: \$40,000 minimum teacher salary		\$51,800.0
Subtotal Recurring Reform	\$46,995.2	\$98,795.2
*n Public School Reform Initiatives (nonrecurring)	\$10,884.1	\$0.0
*I Public School Reform Initiatives – Lockbox		\$14,650.0
TOTAL REFORM	\$57,879.3	\$113,445.2

NOTE: Amounts marked with asterisk are reform initiatives. An "r" designates a recurring initiative, an "n" designates a nonrecurring initiative, and an "I" designates funding from the contingency fund (Lockbox).

¹ The General Fund appropriation includes \$1.9 million to raise minimum salaries of EAs to \$12,000 effective July 1, 2005.

² Augments the emergency supplemental funds for districts experiencing budget shortfalls for the following purposes: small districts, unanticipated growth, fixed costs, fuel costs and emergency expenses.

³ For transfer to the Teacher Professional Development Fund for: Re:Learning; Regional Educational Technology Assistance; Strengthening Quality in Schools; Service Learning; Golden Apple, Closing the Achievement Gap, Leadership Academy and other professional development programs.

⁴ \$300,000 to PED to develop a licensure and evaluation system for professional instructional support providers was contingent upon enactment of HB 83, which did not pass.

**HIGHER EDUCATION
INSTITUTIONAL BUDGET SUMMARY
(dollars in thousands)**

Agency/Institution/Program	FY04 (2003-2004)	FY05 (2004-2005)	FY06 (2005-2006)		
	ACTUAL	BUDGET	GAA (lump sum comp)	Dollar Change	Percent Change
UNM					
I&G	150,360.1	152,328.9	157,088.9	4,760.0	3.1%
Athletics	2,662.0	2,684.1	2,684.1	0.0	0.0%
Educational Television	1,263.4	1,278.7	1,278.7	0.0	0.0%
Extended Services Inst.	0.0	0.0	0.0	0.0	
Gallup	7,532.9	8,459.9	8,517.8	57.9	0.7%
Gallup Extended Services	0.0	0.0	0.0	0.0	
Nursing Expansion	34.9	34.9	34.9	0.0	0.0%
Los Alamos	2,106.3	2,191.9	2,268.8	76.9	3.5%
Los Alamos Extended Services	0.0	0.0	0.0	0.0	
Valencia	4,090.3	4,412.7	4,429.2	16.5	0.4%
Valencia Extended Services	0.0	0.0	0.0	0.0	
Taos	1,380.8	1,941.8	1,776.3	-165.5	-8.5%
Judicial Selection	74.2	75.8	72.8	-3.0	-4.0%
Judicial Education Center	288.7	93.3	89.6	-3.7	-4.0%
Spanish Resource Center	110.1	110.3	105.9	-4.4	-4.0%
Southwest Research Center	1,309.6	1,261.1	1,460.7	199.6	15.8%
Substance Abuse Program	160.2	154.4	148.2	-6.2	-4.0%
Native American Intervention	200.6	193.6	185.9	-7.7	-4.0%
Resource Geographic Info Sys	134.9	130.6	125.4	-5.2	-4.0%
Natural Heritage Program	82.8	80.1	76.9	-3.2	-4.0%
Southwest Indian Law Clinic	126.6	122.8	117.9	-4.9	-4.0%
BBER-Census & Pop. Analysis	53.6	252.0	241.9	-10.1	-4.0%
New Mexico Historical Review	86.1	83.5	80.2	-3.3	-4.0%
Ibero-American Ed. Consortium	173.3	168.2	161.5	-6.7	-4.0%
Youth Educ. Recreation Prog.	147.5	142.2	136.5	-5.7	-4.0%
Advanced Materials Research	71.2	68.0	65.3	-2.7	-4.0%
Mfg. Engineering Prog.	413.5	649.2	623.2	-26.0	-4.0%
Office of Intl. Tech. Coop.	0.0	0.0	0.0	0.0	
Hispanic Student Center	128.8	124.8	119.8	-5.0	-4.0%
Wildlife Law Education	76.8	74.0	71.0	-3.0	-4.1%
Women's Career Development	22.7	22.6	21.7	-0.9	-4.0%
Youth Leadership Development	78.7	75.0	72.0	-3.0	-4.0%
Morrissey Hall Research	47.1	55.2	53.0	-2.2	-4.0%
Disabled Student Services	235.7	227.8	218.7	-9.1	-4.0%
Minority Engr. Math & Science	0.0	0.0	0.0	0.0	
Min. Grad Recruit & Retention	172.9	166.6	159.9	-6.7	-4.0%
Graduate Research Dev. Fund	94.8	90.1	86.5	-3.6	-4.0%
Community Based Education	437.7	422.8	405.9	-16.9	-4.0%
Corrine Wolfe Children's Law Cntr	50.0	68.2	65.5	-2.7	-4.0%
Mock Trials Program	25.0	23.8	22.8	-1.0	-4.2%
UNM Total	174,233.9	178,268.9	183,067.4	4,798.5	2.7%
Health Sciences Center					
Medical School I & G	44,240.6	45,399.9	45,612.5	212.6	0.5%
Cancer Center	2,675.2	2,692.9	2,692.9	0.0	0.0%
Office of Medical Investigator	3,258.2	3,310.0	3,310.0	0.0	0.0%
EMS Academy	771.3	790.1	790.1	0.0	0.0%
Children's Psychiatric Hospital	5,187.8	5,451.1	5,451.1	0.0	0.0%
Hemophilia Program	528.2	534.6	534.6	0.0	0.0%
Carrie Tingley Hospital	3,883.6	4,024.8	4,024.8	0.0	0.0%
Out-of-County Indigent	1,242.3	1,242.4	1,242.4	0.0	0.0%
Specialized Perinatal Care	433.7	442.3	442.3	0.0	0.0%
Newborn Intensive Care	3,033.7	3,106.9	3,106.9	0.0	0.0%
Pediatric Oncology	588.6	592.4	592.4	0.0	0.0%
Young Children's Health Center	231.7	254.6	254.6	0.0	0.0%
Pediatric Pulmonary Program	178.1	181.0	181.0	0.0	0.0%
Health Resources Registry	0.0	0.0	0.0	0.0	
Area Health Education Centers	226.2	227.1	227.1	0.0	0.0%
Grief Intervention Program	157.0	160.3	160.3	0.0	0.0%
Pediatric Dysmorphology	138.5	141.2	141.2	0.0	0.0%
Locum Tenens	428.0	460.4	460.4	0.0	0.0%
Center for Disaster Medicine	98.8	100.4	100.4	0.0	0.0%
Poison Control Center	1,414.7	1,431.0	1,431.0	0.0	0.0%
Fetal Alcohol Study	163.9	165.7	165.7	0.0	0.0%
Telemedicine	423.5	428.7	428.7	0.0	0.0%
Nurse Mid-wifery	320.5	377.4	377.4	0.0	0.0%
Nursing Expansion	1,388.9	1,418.2	1,418.2	0.0	0.0%
Lung/Tobacco-rel. Res. & Clinical	1,000.0	1,000.0	1,000.0	0.0	0.0%
Genomics, Biocomp. & Env. Health	1,500.0	1,528.9	1,528.9	0.0	0.0%
Los Pasos Program	50.0	51.0	51.0	0.0	0.0%
Trauma Specialty Education	400.0	408.2	408.2	0.0	0.0%
Pediatrics Specialty Education	400.0	408.1	408.1	0.0	0.0%
Native American Health Center		300.0	300.0	0.0	0.0%
Children's Cancer Camp		100.0	100.0	0.0	0.0%
Oncology		100.0	100.0	0.0	0.0%
Donated Dental Services			25.0	25.0	
Health Sciences Total	74,362.9	76,829.7	77,067.3	237.6	0.3%

HIGHER EDUCATION
 INSTITUTIONAL BUDGET SUMMARY
 (dollars in thousands)

Agency/Institution/Program	FY04 (2003-2004)	FY05 (2004-2005)	FY06 (2005-2006)		
	ACTUAL	BUDGET	GAA (lump sum comp)	Dollar Change	Percent Change
NMSU					
I&G	92,728.9	98,016.4	101,772.7	3,756.3	3.8%
Athletics	2,800.7	2,951.3	2,951.3	0.0	0.0%
Educational Television	1,123.1	1,141.5	1,141.5	0.0	0.0%
Extended Services Inst.	0.0		0.0	0.0	
Alamogordo	5,359.8	5,358.8	5,467.2	108.4	2.0%
Nursing Expansion	27.9	28.4	28.4	0.0	0.0%
Carlsbad	3,017.4	3,317.8	3,552.3	234.5	7.1%
Nursing Expansion	34.9	35.7	35.7	0.0	0.0%
Dona Ana	12,139.1	13,160.5	14,071.1	910.6	6.9%
Nursing Expansion	104.8	105.3	105.3	0.0	0.0%
Grants	2,561.2	2,632.2	2,720.8	88.6	3.4%
Department of Agriculture	8,469.4	8,581.3	8,581.3	0.0	0.0%
Agricultural Experiment Station	12,093.4	12,753.2	12,753.2	0.0	0.0%
Cooperative Extension Service	9,521.1	9,725.1	9,805.1	80.0	0.8%
Water Resources Research	455.9	438.0	420.5	-17.5	-4.0%
Coordination of Mexico Prog.	98.0	93.7	90.0	-3.7	-3.9%
Indian Resources Development	380.2	383.4	368.1	-15.3	-4.0%
Mfg. Sector Development Program	405.1	391.7	376.0	-15.7	-4.0%
Waste Mgmt. Ed./Res. Cons.	506.5	512.3	491.8	-20.5	-4.0%
Alliance for Underrep. Students	372.6	358.3	344.0	-14.3	-4.0%
Campus Security	91.4	92.7	89.0	-3.7	-4.0%
Carlsbad Mfg. Sector Development	377.5	361.8	347.3	-14.5	-4.0%
Nursing Expansion	419.2	425.7	425.7	0.0	0.0%
Arrowhead Center for Business Dev.		75.0	72.0	-3.0	-4.0%
Viticulturist		75.0	72.0	-3.0	-4.0%
NMSU Total	153,088.0	161,015.2	166,082.5	5,067.3	3.1%
NMHU					
I&G	21,672.3	23,423.3	23,492.9	69.6	0.3%
Athletics	1,354.0	1,364.1	1,364.1	0.0	0.0%
Extended Services Inst.	0.0	0.0	0.0	0.0	
Visiting Scientist	18.6	17.9	17.2	-0.7	-3.9%
Upward Bound	106.1	100.8	96.8	-4.0	-4.0%
Advanced Placement	301.8	289.8	278.2	-11.6	-4.0%
Native American Rec. & Ret.	45.6	43.8	42.0	-1.8	-4.1%
Diverse Populations Study	224.5	215.3	206.7	-8.6	-4.0%
Spanish Program		300.0	288.0	-12.0	-4.0%
NMHU Total	23,723.1	25,755.0	25,786.0	30.9	0.1%
WNMU					
I&G	13,266.7	14,063.1	14,416.3	353.2	2.5%
Athletics	1,272.7	1,519.5	1,519.5	0.0	0.0%
Extended Services Inst.	0.0		0.0	0.0	
Child Development Center	598.7	577.5	554.4	-23.1	-4.0%
NAFTA	16.2	15.3	14.7	-0.6	-3.9%
Instructional Television	121.4	122.1	122.1	0.0	0.0%
Nursing Expansion	141.9	142.7	142.7	0.0	0.0%
WNMU Total	15,417.6	16,440.2	16,769.7	329.5	2.0%
ENMU					
I&G	20,886.0	21,617.5	21,629.2	11.7	0.1%
Athletics	1,626.7	1,638.0	1,638.0	0.0	0.0%
Educational Television	1,016.0	1,032.7	1,032.7	0.0	0.0%
Extended Services Inst.	0.0		0.0	0.0	
Roswell	10,475.8	11,982.4	12,653.1	670.7	5.6%
Nursing Expansion	69.9	71.0	71.0	0.0	0.0%
Extended Serv. Instr.-Roswell	0.0		0.0	0.0	
Ruidoso Off-Campus Center	777.2	758.2	756.9	-1.3	-0.2%
Center for Teaching Excellence	271.6	260.9	250.5	-10.4	-4.0%
Blackwater Draw Site & Mus.	92.8	89.9	86.3	-3.6	-4.0%
Airframe Mechanics	74.9	72.7	69.8	-2.9	-4.0%
Job Trng for Physically & Ment.	25.0	23.8	22.8	-1.0	-4.2%
Assessment Project	137.7	133.3	128.0	-5.3	-4.0%
Nursing Expansion	41.9	42.0	42.0	0.0	0.0%
Social Work	150.0	152.8	146.7	-6.1	-4.0%
ENMU Total	35,645.6	37,875.2	38,527.1	651.9	1.7%
NMIMT					
I&G	22,020.0	22,889.0	23,726.2	837.2	3.7%
Athletics	157.2	159.8	159.8	0.0	0.0%
Extended Services Inst.	0.0		0.0	0.0	
Geophysical Research Center	872.6	885.0	849.6	-35.4	-4.0%
Bureau of Mines	3,832.0	3,889.5	3,733.9	-155.6	-4.0%
Petroleum Recovery Research	1,926.2	1,936.5	1,859.0	-77.5	-4.0%
Bureau of Mine Inspection	290.1	294.7	282.9	-11.8	-4.0%
Energetic Materials Center	779.0	790.8	759.2	-31.6	-4.0%
Science Fair/Science Olympiad	114.7	320.3	307.5	-12.8	-4.0%
Homeland Security	241.7	245.2	235.4	-9.8	-4.0%
Cave & Karst Research	338.8	326.5	313.4	-13.1	-4.0%
Institute for Complex Additive Sys #	530.3	535.6	514.2	-21.4	-4.0%
NMIMT Total	31,102.6	32,272.8	32,741.0	468.2	1.5%

HIGHER EDUCATION
 INSTITUTIONAL BUDGET SUMMARY
 (dollars in thousands)

Agency/Institution/Program	FY04 (2003-2004)	FY05 (2004-2005)	FY06 (2005-2006)		
	ACTUAL	BUDGET	GAA (lump sum comp)	Dollar Change	Percent Change
NNMCC					
I&G	7,921.4	8,183.7	7,985.6	-198.1	-2.4%
Extended Services Instruction	0.0		0.0		
Northern Pueblo's Institute	58.0	56.0	53.8	-2.2	-3.9%
Nursing Expansion	27.9	28.5	28.5	0.0	0.0%
NNMCC Total	8,007.3	8,268.2	8,067.9	-200.3	-2.4%
SFCC					
I&G	7,941.9	9,122.7	9,163.5	40.8	0.4%
Small Business Devlpt. Centers	3,399.7	3,273.2	3,142.3	-130.9	-4.0%
Working To Learn	0.0		0.0		
Sign Language Services	21.2	20.5	19.7	-0.8	-3.9%
Nursing Expansion	34.9	35.6	35.6	0.0	0.0%
SFCC Total	11,397.7	12,452.0	12,361.1	-90.9	-0.7%
ATVI					
I&G	40,917.5	44,071.3	47,700.1	3,628.8	8.2%
ATVI Total	40,917.5	44,071.3	47,700.1	3,628.8	8.2%
LVT					
I&G	6,162.7	6,663.3	7,052.7	389.4	5.8%
Nursing Expansion	34.9	36.1	36.1	0.0	0.0%
LVT Total	6,197.6	6,699.4	7,088.8	389.4	5.8%
MTC					
I&G	2,238.2	2,326.5	2,364.8	38.3	1.6%
Extended Services Instruction	0.0		0.0		
MTC Total	2,238.2	2,326.5	2,364.8	38.3	1.6%
NMJC					
I&G	7,615.3	7,874.5	7,001.8	-872.7	-11.1%
Extended Services Instruction	0.0	0.0	0.0		
Athletics	34.5	35.9	35.9	0.0	0.0%
Nursing Expansion	69.9	72.7	72.7	0.0	0.0%
NMJC Total	7,719.7	7,983.1	7,110.4	-872.7	-10.9%
SJC					
I&G	15,640.1	18,440.1	18,999.1	559.0	3.0%
Extended Services Instruction	0.0		0.0		
Dental Hygiene	200.1	196.5	188.6	-7.9	-4.0%
Nursing Expansion	334.7	339.3	339.3	0.0	0.0%
Oil and Gas Job Training Program	100.0	96.5	92.6	-3.9	-4.0%
SJC Total	16,274.9	19,072.4	19,619.6	547.2	2.9%
CCC					
I&G	9,208.4	9,425.3	9,957.4	532.1	5.6%
Extended Services Instruction	0.0		0.0		
Nursing Expansion	69.9	70.6	70.6	0.0	0.0%
CCC Total	9,278.3	9,495.9	10,028.0	532.1	5.6%
Four-Year/Two-Year Total	609,604.7	638,825.8	654,381.6	15,555.8	2.4%
NMMI					
I&G	0.0	0.0	0.0	0.0	
NMMI Total	0.0	0.0	0.0	0.0	
NMSBVI					
I&G	11.5	11.5	164.6	153.1	1331.3%
NMSBVI Total	11.5	11.5	164.6	153.1	1331.3%
NM School for the Deaf					
I&G	3,393.3	658.1	1,983.5	1,325.4	201.4%
School for the Deaf Total	3,393.3	658.1	1,983.5	1,325.4	201.4%
Special School GF Total	3,404.8	669.6	2,148.1	1,478.5	220.8%
Commission on Higher Education					
CHE Operating	1,681.5	1,726.0	2,126.0	400.0	23.2%
CHE Adult Basic Education	5,000.0	5,123.7	5,685.0	561.3	11.0%
CHE Financial Aid	22,202.7	22,194.6	23,213.6	1,019.0	4.6%
CHE High Skills	300.0	600.0	600.0	0.0	0.0%
CHE Nursing	2,000.0	0.0	0.0		
NM MESA, Inc.	753.9	715.8	914.4	198.6	27.7%
Contract to Train Dentists in NM	50.0	50.0	50.0	0.0	0.0%
Program Enhancement Fund	0.0	2,000.0	2,000.0	0.0	0.0%
CHE Total	31,988.1	32,410.1	34,589.0	2,178.9	6.7%
COMPENSATION (a)	0.0	0.0	13,893.3		
HIGHER EDUCATION TOTAL	644,997.6	671,905.5	705,012.0	33,106.5	4.9%

**FINAL FY05 vs. FY06
TANF FUNDING COMPARISON**

APPENDIX L

(dollars in thousands)

	FY05 TANF			FY06 Conf Comm			DIFF
	Gen Fund	Fed Fund	Total	Gen Fund	Fed Fund	Total	FY06-FY05
REVENUE							
1 General Fund at HSD	13,653.1	0.0	13,653.1	15,175.2	0.0	15,175.2	1,522.1
2 MOE to other agencies	19,095.2	0.0	19,095.2	21,195.2	0.0	21,195.2	2,100.0
3 TANF Block Grant	0.0	110,578.1	110,578.1	0.0	110,578.1	110,578.1	0.0
4 TANF Supplemental Grant	0.0	6,553.1	6,553.1	0.0	6,531.0	6,531.0	-22.1
5 TANF Carryover	0.0	20,751.1	20,751.1	0.0	5,000.0	5,000.0	-15,751.1
6 TANF Bonus	0.0	4,574.2	4,574.2	0.0	0.0	0.0	-4,574.2
7 Total Available Revenue	32,748.3	142,456.5	175,204.8	36,370.4	122,109.1	158,479.5	-16,725.3
8							
9 EXPENDITURES							
10 ASD Admin	0.0	6,242.8	6,242.8	0.0	2,400.0	2,400.0	-3,842.8
11 ISD Admin	2,363.0	11,134.0	13,497.0	0.0	10,800.0	10,800.0	-2,697.0
12 Total Administration	2,363.0	17,376.8	19,739.8	0.0	13,200.0	13,200.0	-6,539.8
13							
14 Cash Payments							
15 Cash Assistance	8,675.1	60,925.0	69,600.1	12,375.2	58,624.8	71,000.0	1,399.9
16 Education Works	2,000.0	0.0	2,000.0	2,000.0	0.0	2,000.0	0.0
17 Clothing Allowance	0.0	785.0	785.0	0.0	800.0	800.0	15.0
18 Wage Subsidy Other	0.0	600.0	600.0	0.0	500.0	500.0	-100.0
19 Disregard Pass Through	440.0	0.0	440.0	450.0	0.0	450.0	10.0
20 One-Time Expenses (Diversions)	0.0	700.0	700.0	0.0	500.0	500.0	-200.0
21 TANF State-funded Aliens	175.0	0.0	175.0	100.0	0.0	100.0	-75.0
22 Total Cash Assistance	11,290.1	63,010.0	74,300.1	14,925.2	60,424.8	75,350.0	1,049.9
23							
24 Support Services-HSD							
25 Regional TANF Contracts	0.0	9,300.0	9,300.0	0.0	9,300.0	9,300.0	0.0
26 Domestic Violence	0.0	2,000.0	2,000.0	0.0	0.0	0.0	-2,000.0
27 Employment Related Costs	0.0	425.0	425.0	0.0	425.0	425.0	0.0
28 Transportation	0.0	1,250.0	1,250.0	0.0	800.0	800.0	-450.0
29 Family Strengthening/Fatherhood RFP	0.0	1,000.0	1,000.0	0.0	400.0	400.0	-600.0
30 Substance Abuse	0.0	0.0	0.0	0.0	800.0	800.0	800.0
31 Navajo & Zuni Program Supplemental	0.0	0.0	0.0	250.0	0.0	250.0	250.0
32 Total Support-HSD	0.0	13,975.0	13,975.0	250.0	11,725.0	11,975.0	-2,000.0
33							
34 Support Services-Other Agencies							
35 Early Childhood Devel (PED)	0.0	2,982.5	2,982.5	0.0	0.0	0.0	-2,982.5
36 GRADS (PED)	0.0	1,300.0	1,300.0	0.0	0.0	0.0	-1,300.0
37 Full Day Kindergarten (PED)	0.0	4,000.0	4,000.0	0.0	0.0	0.0	-4,000.0
38 Adult Basic Education (CHE)	0.0	1,000.0	1,000.0	0.0	0.0	0.0	-1,000.0
39 CYFD Child Care Training	0.0	500.0	500.0	0.0	0.0	0.0	-500.0
40 CYFD (Adult Protective Services)	0.0	2,000.0	2,000.0	0.0	0.0	0.0	-2,000.0
41 CYFD Child Care	0.0	32,472.2	32,472.2	0.0	32,219.3	32,219.3	-252.9
42 CYFD Domestic Violence	0.0	600.0	600.0	0.0	2,600.0	2,600.0	2,000.0
43 DOH Substance Abuse	0.0	1,000.0	1,000.0	0.0	0.0	0.0	-1,000.0
44 CSW	0.0	1,440.0	1,440.0	0.0	1,440.0	1,440.0	0.0
45 ALTS Gold Mentor	0.0	800.0	800.0	0.0	500.0	500.0	-300.0
46 TOTAL-Support Other Agencies	0.0	48,094.7	48,094.7	0.0	36,759.3	36,759.3	-11,335.4
47 TOTAL TANF BUDGET	13,653.1	142,456.5	156,109.6	15,175.2	122,109.1	137,284.3	-18,825.3
48							
49 MOE-Other Agency Budgets							
50 DOH	0.0	0.0	0.0	2,100.0	0.0	2,100.0	2,100.0
51 CYFD-Title IV-A	14,200.0	0.0	14,200.0	14,200.0	0.0	14,200.0	0.0
52 CCDF	2,895.2	0.0	2,895.2	2,895.2	0.0	2,895.2	0.0
53 Head Start	2,000.0	0.0	2,000.0	2,000.0	0.0	2,000.0	0.0
54 Total MOE to Other Agencies	19,095.2	0.0	19,095.2	21,195.2	0.0	21,195.2	2,100.0
55 TOTAL WELFARE BUDGET	32,748.3	142,456.5	175,204.8	36,370.4	122,109.1	158,479.5	-16,725.3

**Additional Judgeships:
Appropriations to Courts, District Attorneys and the Public Defender Department**

(\$000s)

Judiciary		Cost
SF County Magistrate Court (AOC)		\$106.3
Bernalillo Metropolitan Court		584.4
2nd Judicial District Court		312.4
9th Judicial District Court		312.4
11th Judicial District Court		312.4
McKinley County Magistrate (AOC)		106.3
Sandoval County Magistrate (AOC)		106.3
		0.0
Total		\$1,840.5
Public Defender Department		Cost
SF County Magistrate (Atty. & Sec.)		\$100.0
Metro Court (Attorney)		60.0
2nd District (Attorney & Sec.)		100.0
9th District (Attorney & Sec.)		100.0
San Juan County (Attorney)		60.0
McKinley County (Contractual)		70.0
Sandoval County (Contractual)		40.0
Overhead expenses		20.0
Total		\$550.0
District Attorney Offices		Cost
1st District (Asst. DA & Sec.)		\$100.0
2nd District (Asst. DA)		60.0
2nd District (Sr. Trial Prosec. & Sec.)		118.0
9th District (Sr. Trial Prosec. & Sec.)		118.0
11th District, Div I (Asst DA)		60.0
11th District, Div II (Sr. Trial Pr. & Sec.)		118.0
13th District (Asst. DA & Sec.)		100.0
Overhead expenses		25.0
Total		\$699.0

Source: General Appropriation Act of 2005, Administrative Office of the Courts

APPENDIX N

Legislative Finance Committee Sponsored Legislation

Bill Number	BILL TITLE	LEGISLATIVE ACTION	EXECUTIVE ACTION
HB49	CREATE OFFICE OF STATE COMPTROLLER	Failed	NA
HB205	JUDICIAL RETIREMENT CONTRIBUTIONS	Passed	Signed
HB207	PUBLIC RETIREES RETURNING TO WORK	Passed	Vetoed
HB216	MAGISTRATE RETIREMENT CONTRIBUTIONS	Passed	Signed
HB283	PERFORMANCE CONTRACTING ACT	Failed	NA
HB306	BOARD & COMMISSION SUNSET DATE CHANGES	Passed	Signed
HB307	MILITARY BASE PLANNING COMMISSION MEMBERS	Passed	Signed
HB308	SPEECH LANGUAGE PATHOLOGY SCOPE OF PRACTICE	Passed	Signed
HB309	ATHLETIC TRAINER LICENSING AND REQUIREMENTS	Passed	Signed
HB311	SURFACE MINING ACT APPEAL PROVISIONS	Passed	Signed
HB312	REAL ESTATE BROKER LICENSING REQUIREMENTS	Failed	NA
HB313	INTERIOR DESIGN LICENSES AND BOARD MEMBERS	Passed	Vetoed
HB314	COUNCELING AND THERAPY LICENSES AND PRACTICE	Passed	Signed
HB315	SOCIAL WORKER LICENSES AND REQUIREMENTS	Failed	NA
HB389	PERMANENT FUND INVESTMENT CRITERIA	Passed	Signed
HB404	BIENNIAL STATE BUDGETS	Passed	Vetoed
HB873	CHANGE PUBLIC SCHOOL BUDGET REQUESTS DUE DATE	Passed	Vetoed
HJM5	PUBLIC RETIREMENT EXPANSION MORATORIUM	Passed	Signed
SB170	CREATE OFFICE OF STATE COMPTROLLER	Failed	NA
SB181	EDUCATIONAL RETIREMENT EMPLOYER CONTRIBUTION	Passed	Signed
SB194	EXPAND EDUCATIONAL RETIREMENT BOARD	Failed	NA
SB211	BIENNIAL STATE BUDGETS	Failed	NA
SB216	EDUCATIONAL RETIREES RETURNING TO WORK	Passed	Vetoed
SB330	PERFORMANCE CONTRACTING ACT	Failed	NA
SB524	RELEASE OF TAXPAYER INFO TO LFC	Failed	NA
SJM17	STUDY CHANGING EDUCATIONAL RETIREMENT SYSTEM	Passed	Signed