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FISCAL IMPACT REPORT

SPONSOR SFC ORIGINAL DATE 02/07/14
 LAST UPDATED 02/19/14 HB _____

SHORT TITLE General Appropriations Act of 2014 SB CS/313/aSFI#1

ANALYST Lucero

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY14	FY15		
	\$6,170,331.3	Recurring	General Fund
	3,935,163.2	Recurring	Other State Funds
	\$424,359.7	Recurring	Internal Service/Inter-Agency Transfers
	\$6,580,469.0	Recurring	Federal Funds
\$49,261.2		Nonrecurring	General Fund
\$3,500.0		Nonrecurring	Education Lock Box
\$51,46.6		Nonrecurring	Other State Funds
\$10,873.7		Nonrecurring	Internal Service/Inter-Agency Transfers

(Parenthesis () Indicate Expenditure Decreases)

The Senate Finance Committee substitute for Senate Bill 313 conflicts with House Bill CS/2,3,4,5 and 6 which represents the House Appropriations and Finance Committee recommendation for funding operations of state government and House Bill 7 which represents the Legislative Finance Committee recommendation, and relates to House Bill 1 (the “Feed Bill”) which funds the operations of most legislative agencies.

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of SFI Amendment #1

The Senate Floor Amendment #1 clarifies that not more than 75 percent of the public education special appropriation for teacher and school leader programs and supports for training preparation, recruitment, and retention may be spent on any one individual initiative.

Synopsis of Original Bill

The Senate Finance Committee substitute for Senate Bill 313 appropriates money from the general fund, other revenue, internal services funds/interagency transfers, and federal funds for FY15, except as otherwise specifically stated in the bill, for the operation of state agencies, higher education and public schools.

Recurring general fund appropriations total \$6.17 billion an increase of \$291.8 million, or 5 percent, over the previous General Appropriation Act (GAA) while leaving reserves at 8.7 percent.

Notable spending increases include compensation increases for state and public school employees; an additional \$28 million for early childhood initiatives; and public and higher education funding increases of 6.6 percent and 5.8 percent, respectively. Recurring general fund appropriations added \$2.7 million to the marketing program of the Tourism Department; \$1.5 million for the job training/recruitment program at the Economic Development Department; \$5.9 million for expanding the capacity of graduate nursing education, undergraduate nursing education, and resident physician programs; and \$9 million to match with \$21 million of federal funds to provide a rate increase to hospitals contingent on legislation to generate county support for the Medicaid program.

Nonrecurring general fund appropriations for special, supplemental, and deficiency items totaled \$66.7 million including \$7.7 million for the computer systems enhancement fund. Notable appropriations include \$10 million for economic development projects pursuant to the Local Economic Development Act (LEDA) and \$500 thousand for the MainStreet program, \$4 million to replenish the higher education endowment fund, \$3 million for special education maintenance of effort requirements, \$2.5 million for public education common core state standards, and \$2.9 million to ensure students who received four or more semesters of the legislative lottery scholarship receive awards for full tuition costs for FY15.

The bill authorizes the transfers from the tobacco settlement permanent fund in FY14 and FY15 to the tobacco settlement program fund to replace reduced tobacco settlement revenues.

Section 1, Short Title (page 1);

Section 2, Definitions (pages 1 - 3);

Section 3, General Provisions (pages 3 – 5);

Section 4, Fiscal Year 2015 Appropriations (pages 5 - 194);

Section 5 Special Appropriations (pages 194 - 209);

Section 6, Supplemental and Deficiency Appropriations (pages 209 - 204);

Section 7, Data Processing Appropriations (pages 212 - 217);

Section 8, Compensation Appropriations (pages 217 - 220);

Section 9, Additional Fiscal Year 2014 Budget Adjustment Authority (pages 220 – 225)

Section 10, Additional Fiscal Year 2015 Budget Adjustment Authority (pages 225 – 234)

Section 11, Appropriation Adjustment (Page 234)

Section 12. Fund Transfers (page 234)

Section 12. Transfer Authority (page 235– 236)

Section 12. Severability (page 236).

FISCAL IMPLICATIONS

The appropriations contained in this bill can be summarized as follows:

	SFC Sub SB313	Other State Funds	Internal Service Funds/ InterAgency Trnsfrs	Federal Funds	Total
Legislative	\$ 4,335.7	\$ -	\$ -	\$ -	\$ 4,335.7
Judicial	\$ 219,246.7	\$ 23,886.6	\$ 9,024.9	\$ 2,323.5	\$ 254,481.7
General Control	\$ 180,284.5	\$ 1,414,404.8	\$ 35,391.2	\$ 14,062.3	\$ 1,644,142.8
Commerce and Industry	\$ 50,312.3	\$ 71,539.4	\$ 16,970.8	\$ 819.4	\$ 139,641.9
Agric., Enrgy & Ntrl Res	\$ 72,168.2	\$ 97,917.3	\$ 21,338.0	\$ 34,047.6	\$ 225,471.1
Health, Hospitals & Human Svcs	\$ 1,646,699.5	\$ 323,620.4	\$ 282,491.4	\$ 4,914,629.7	\$ 7,167,441.0
Public Safety	\$ 395,139.1	\$ 36,563.3	\$ 8,819.3	\$ 67,456.5	\$ 507,978.2
Transporation	\$ -	\$ 453,461.9	\$ -	\$ 408,612.5	\$ 862,074.4
Other Education	\$ 107,304.8	\$ 23,463.4	\$ 36.0	\$ 32,322.5	\$ 163,126.7
Higher Education	\$ 833,038.2	\$ 1,488,130.7	\$ 50,288.1	\$ 691,992.7	\$ 3,063,449.7
Public School Support	\$ 2,630,942.4	\$ 2,175.4	\$ -	\$ 414,202.3	\$ 3,047,320.1
Total Sec. 4 Recurring	\$ 6,139,471.4	\$ 3,935,163.2	\$ 424,359.7	\$ 6,580,469.0	\$ 17,079,463.3
Recurring Special Appropriations	\$ 13,908.9	\$ -	\$ -	\$ -	\$ 13,908.9
Total Sec. 5 Recurring	\$ 13,908.9	\$ -	\$ -	\$ -	\$ 13,908.9
Total Sec. 8 Recurring	\$ 33,927.8	\$ -	\$ -	\$ -	\$ 33,927.8
Total Sec. 11 Recurring	\$ (16,976.8)	\$ -	\$ -	\$ -	\$ (16,976.8)
Total Recurring	\$ 6,170,331.3	\$ 3,935,163.2	\$ 424,359.7	\$ 6,580,469.0	\$ 17,110,323.2
Specials	\$ 42,869.7	\$ 16,325.8	\$ 100.0	\$ -	\$ 59,295.5
Specials - Education Lock Box	\$ 3,500.0	\$ -	\$ -	\$ -	\$ 3,500.0
Supplemental & Deficiency	\$ 6,391.5	\$ 14,863.3	\$ 9,750.0	\$ -	\$ 31,004.8
Data Processing	\$ -	\$ 19,957.5	\$ 1,023.7	\$ -	\$ 20,981.2
Total Nonrecurring	\$ 52,761.2	\$ 51,146.6	\$ 10,873.7	\$ -	\$ 114,781.5

Unless otherwise indicated in the bill, appropriations from the general fund revert to the general fund at the end of FY15, or unless otherwise indicated or provided by law. Exceptions include higher education institutions and public schools.

OTHER SUBSTANTIVE ISSUES

Section 8 compensation appropriations contained in this bill include public employees represented under collective bargaining and unrepresented public employees and are summarized as follows:

FY15 Public Employee Compensation							
(in thousands)							
	LFC Rec 1.5 Percent COLA	LFC Rec Recruitment, Retention, Compaction, Equity Equivalent	LFC Rec Additional Comp	LFC Rec Total Comp Rec	Exec Rec	HAFC Sufficient for 3% COLA	SFC Sub SB313 Sufficient for 3% COLA
Section 8 Compensation							
Legislative	\$ 178.3	\$ 178.3	\$ -	\$ 356.6	\$ -	\$ 356.6	\$ 356.6
Judicial	\$ 2,101.4	\$ 1,584.2	\$ -	\$ 3,685.6	\$ -	\$ 3,685.6	\$ 3,685.6
Classified/Exempt (**)(***)	\$ 9,004.0	\$ 9,004.0	\$ -	\$ 18,007.9	\$ -	\$ 15,749.4	\$ 15,749.4
Total All Agencies	\$ 11,283.7	\$ 10,766.5	\$ -	\$ 22,050.2	\$ -	\$ 19,791.6	\$ 19,791.6
Total Higher Education	\$ 9,689.3	\$ -	\$ -	\$ 9,689.3	\$ -	\$ 9,689.3	\$ 9,136.2
Special Compensation							
State Police & MTD Officers (5% increase)	\$ -	\$ -	\$ 3,000.0	\$ 3,000.0	\$ 4,500.0	\$ 3,000.0	\$ 3,000.0
Hard to fill classifications/AFCME	\$ -	\$ -	\$ 2,000.0	\$ 2,000.0	\$ 9,700.0	\$ 2,000.0	\$ 2,000.0
Elected Officials 10% w/Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63.0	\$ -
Total Special Compensation	\$ -	\$ -	\$ 5,000.0	\$ 5,000.0	\$ 14,200.0	\$ 5,063.0	\$ 5,000.0
Section 4 Compensation							
Public Schools							
Teachers/Instructional/Other	\$ 28,021.5	\$ 28,021.5	\$ -	\$ 56,043.0		\$ 56,042.9	\$ 56,042.9
Transportation	\$ 886.0	\$ 886.0	\$ -	\$ 1,772.0		\$ 1,772.0	\$ 1,772.0
Educational Assistants (3% increase)	\$ -	\$ -	\$ 2,651.9	\$ 2,651.9		\$ 2,651.9	\$ 2,651.9
Level 1 Teacher Starting Salary	\$ -	\$ -	\$ 4,537.0	\$ 4,537.0	\$ 6,500.0	\$ 10,000.0	\$ 10,000.0
Rewarding Highly Effective Teachers & Principals		\$ -	\$ -	\$ -	\$ 12,000.0	\$ -	\$ -
Total Public Schools	\$ 28,907.5	\$ 28,907.5	\$ 7,188.9	\$ 65,003.9	\$ 18,500.0	\$ 70,466.8	\$ 70,466.8
				\$ -			
Judges (5% increase)			\$ 1,171.0	\$ 1,171.0		\$ 1,171.0	\$ 1,171.0
District Attorneys (5% increase)			\$ 74.6	\$ 74.6		\$ 74.6	\$ 74.6
CYFD Protective Service (3% increase)			\$ 636.9	\$ 636.9		\$ 636.9	\$ 636.9
Juvenile Justice (3% increase)			\$ 969.1	\$ 969.1		\$ 969.1	\$ 969.1
Correctional Officers (3%)				\$ -		\$ 2,771.4	\$ 2,771.4
				\$ -			
Total	\$ 49,880.4	\$ 39,673.9	\$ 15,040.5	\$ 104,595.0	\$ 32,700.0	\$ 110,633.7	\$ 110,017.6
Notes/Methodology:							
Legislative salaries have been calculated at 100 percent General Fund. Judicial, Classified/Exempt, and Higher Education institutions typically receive funding from other sources than the General Fund but the actual percentages vary.							
Benefits calculated at rate of .2664 (PERA, .1699 + FICA, .0765 + RHCA, .02) for legislative, judicial, and classified/exempt, and at rate of .2355 (ERB, .1390 + FICA, .0765 + RHCA, .02) for public education and higher education.							
** SPO review and approve, for executive agencies under the control of the governor, with DFA disbursement							
*** Assumes agency vacancy savings will contribute to 3% increase							

CONFLICT, RELATIONSHIP

Senate Bill CS/313 conflicts with House Bill CS/2,3,4,5 and 6 which represents the House Appropriations and Finance Committee recommendation for funding operations of state government and House Bill 7 which represents the Legislative Finance Committee recommendation, and relates to House Bill 1 (the “Feed Bill”) which funds the operations of most legislative agencies.

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