

# **2004 POST-SESSION FISCAL REVIEW**

**Legislative Finance Committee**



**April 2004**

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April 12, 2004

Dear Fellow Legislators,

The focus of a 30-day legislative session is the drafting of a spending plan for state government. Even in relatively prosperous years, this is difficult process in a state with limited resources and a population with significant needs. This year was no different. The slow economy limited the amount of new money available, the public was expecting a significant financial commitment to public school reform, the state needed to find more stable revenue for the numerous projects funded last year with one-time money, and simply maintaining the most important programs is very costly.

The results of the 2004 legislative session reflect that, although the lawmaking process necessarily involves contention, improved cooperation between the executive and the Legislature continues to benefit the people of New Mexico. Together we enacted a spending plan that overcame the many budget obstacles and focuses resources on those areas of education and health care that are of key importance to New Mexicans and the progress of our state.

This document is a review of the fiscal impact of the Legislature's action during the regular session of 2004. 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 Vice Chairman Lucky Varela and all of the committee members for their hard work and thoughtful deliberations. In particular, I want to express my gratitude to Representative Max Coll. Representative Coll in his many years of service to his legislative district demonstrated an unwavering commitment to providing New Mexicans with both progressive social services and stable government finances. His dedication to prudent financial management

has been a significant factor in the state's ability to weather the current economic slowdown.

Finally, I want to thank the staff of the Legislative Finance Committee for their efforts in putting together this report. I believe you will find it valuable.

Sincerely,

Senator Ben D. Altamirano  
Chairman

BA/hg

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## I. INTRODUCTION

Despite economic sluggishness on the national and local levels, the New Mexico Legislature during the 2004 session continued to build on its long-standing priorities of education and health. By restricting growth in many areas of state government, focusing resources on key areas, and working with the executive, state lawmakers were able to expand healthcare services for the disabled and elderly, continue more equitable higher education funding, create a funding mechanism and program to provide prescription drugs to senior citizens, promote state water planning, and provide modest salary increases to every state employee.

In the area of education reform – a priority of New Mexico voters as evidenced by their approval of a constitutional amendment to fund reform – the 2004 legislative session resulted in the continued phase-in of arts education and professional teacher licensure and the completion of the phase-in of full-day kindergarten. In addition, the Legislature set aside money for the expected incremental costs of reform in FY06 through FY08.

Nevertheless, significant issues loom over the state's financial future. While the executive and the Legislature have taken steps to reign in growth in Medicaid spending, the issue has not been fully addressed. Without containment, rising healthcare costs will continue to devour state resources. The volatility of the energy industry continues to raise concerns about the prudence of the state's dependence on the oil and gas industry to buttress otherwise weak revenue growth. And, based on conservative revenue estimates and current program levels, the state will be forced to raise revenues or cut programs next year to comply with the constitutional mandate to balance the budget.

The remainder of this report includes a review of some of the major accomplishments of the 2004 session and a summary of state revenue and budgets.

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### I. SESSION HIGHLIGHTS

**Executive Reorganization.** The following legislation formally authorizes cabinet status for certain agencies:

- Aging and Long-Term Services Department (formerly the State Agency on Aging) --- House Bill 34 (Chapter 23);
- Cultural Affairs Department (formerly the Office of Cultural Affairs) --- House Bill 92 (Chapter 25);
- Indian Affairs Department (formerly the Office of Indian Affairs) --- House Bill 39 (Chapter 24);
- Public Education Department (formerly the State Department of Public Education) --- House Bill 96 (Chapter 27); and,
- Veterans' Services Department (formerly the Veterans' Services Commission) --- Senate Bill 164 (Chapter 19).

**Local Driving while Intoxicated Grant Fund.** Despite a governor's performance review recommendation, the Legislature decided against moving administration of the driving while intoxicated grant fund from the Department of Finance and Administration to the Department of Health. Local governments expressed concern about the proposed transfer and possible loss of funding.

**Services for the Developmentally Disabled and the Disabled and Elderly.** The Legislature, through the General Appropriation Act, considerably expanded services to the developmentally disabled. The Department of Health appropriation for FY05 includes \$4 million to increase the number of clients served under the Medicaid waiver program that allows for in-home care for the developmentally disabled – the so-called DD waiver program. Another \$1 million for rate increases for service providers was vetoed. A special appropriation for expenditure in FY04 and FY05 provides \$4.9 million for expanding coverage for clients in the DD waiver program or the similar Medicaid waiver program for the disabled and elderly. The purpose of the appropriation is to comply with the decision in Lewis v. the Department of Health. Up to 10 percent of the appropriation can be used for administrative expenses.

**Brain Injury Medicaid Waiver.** The Legislature passed Senate Bill 113 to fund a brain injury Medicaid waiver program; however, the legislation was “pocket-vetoed,” vetoed through the governor's failure to act after the close of the session. The Department of Health, in conjunction with the Human Services Department, was to develop a waiver proposal to send to the Center for Medicare and Medicaid Services of the U.S. Department of Health and Human Services. The appropriation included in the bill was \$2 million and would have served an estimated 250 individuals.

**Three-Tiered Teacher License Structure.** The second year of the five-year phase-in of the tiered licensure structure for level two and level three teachers is funded at \$8.6 million. The

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New Mexico licensure framework for teachers and school administrators is a progressive career system in which teachers are required to demonstrate increased competencies and undertake increased duties as they progress through the licensure levels.

**Fine Arts Education Act.** The second year of the three-year phase-in of elementary fine arts education is funded at \$4 million. The arts education program encourages school districts to offer opportunities for elementary students to participate in fine arts activities, including visual arts, music, theater, and dance. Districts and charter schools with approved elementary arts education programs are eligible to receive program funds.

**Education Reform Initiatives.** The passage of a constitutional amendment in September 2003 provided an immediate increase in the annual distribution from the land grant permanent fund from 4.7 percent to 5 percent of the five-year average of year-end market values of the fund. For FY05 through FY12, the amendment will provide an additional distribution of eight-tenths of 1 percent, for a total of 5.8 percent and an additional distribution of one-half of 1 percent for the four years after that (FY13 through FY16) for a total distribution of 5.5 percent. The Legislature appropriated \$47 million in recurring funds in FY05 and \$10.9 million in nonrecurring funds for FY04 or FY05 to support education reform initiatives.

**Healthcare Cost Increases.** Double digit increases in health benefit costs continue to impact public and private sector budgets. For 2004, the Segal Company is predicting cost trend increases of approximately 14 percent for healthcare plans. In New Mexico, three state agencies currently administer healthcare plans for approximately 135,000 state and municipal employees, teachers, and retirees. The Retiree Health Care Authority, General Services Department, and Public School Insurance Authority received a FY05 total budget increase of \$54 million for benefits programs, with an average increase of approximately 11.5 percent. The result of this budget is higher benefit plan premiums in FY05 for both employers and employees. The state will continue to explore cost-containment options in response to double-digit healthcare inflation.

**State Share of Employee Health Benefit Costs.** For the first time in 19 years, the state share of employee benefit costs (health, dental, vision, disability and life insurance) will change due to passage of House Bill 451 (Chapter 82). The legislation allows the state to cover up to 80 percent of the cost of these employee benefits for all employees with a salary under \$30 thousand and 70 percent for employees earning between \$30 thousand and \$40 thousand in FY05. In comparison, the current state share is capped at 60 percent of the cost for employees making over \$25 thousand. In FY06, the bill allows for an additional increase in the state share. Implementation of these revised brackets is dependent on the availability of funding, and \$2 million is provided in the General Appropriation Act for FY05 to fund increases in the group insurance contribution of the state.

**Health-Related Taxes.** Three key bills related to health service taxes were enacted. Senate Bill 385 (Chapter 4) creates a new daily bed surcharge on each licensed nursing home, intermediate-care facility for the mentally retarded, and residential treatment center. This provision is

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anticipated to generate approximately \$22.5 million in FY05. Senate Bill 502 (Chapter 122) imposes a health insurance premium surtax of 1 percent on gross health insurance premiums and membership and policy fees to generate approximately \$19.5 million for the general fund in FY05. The daily bed surcharge is partially mitigated by Senate Bill 436 (Chapter 99), which provides an income tax credit for expenses paid to licensed nursing homes, licensed intermediate care facilities for the mentally retarded, and licensed residential treatment centers.

**Food Tax.** House Bill 625 (Chapter 15) removes the gross receipts tax from food and certain healthcare services, creates new distributions to cities and counties to offset revenue losses from removing those taxes, and repeals the municipal gross receipts tax credit.

**Pharmaceutical Business License Fees.** Senate Bill 536 (Chapter 52) increases the license fee for a wholesale drug distributor, manufacturer, or warehouse from the current annual fee of up to \$300 to a new annual fee that will not exceed \$5,000, provided the annual fee shall not exceed \$1,000 upon the implementation of Medicare prescription drug benefit program. The registration fee charged by the Pharmacy Board to pharmaceutical sales representatives carrying dangerous drugs is eliminated. The fee increase will generate an estimated \$1.5 million for a new pharmacy fund. Monies in the fund will be used for prescription drugs for people over age 65, if the Pharmacy Board enters into an agreement with a state entity to implement such a program.

**Compensation.** The General Appropriation Act includes \$59.6 million from the general fund to provide salary increases for all legislative, judicial, district attorney, classified, exempt, higher education, and public school employees. This provides sufficient funds for a 6 percent increase for judges and a 2 percent increase for all other employees, subject to satisfactory job performance. A 5 percent pay increase for state police is also included in the Department of Public Safety budget.

**Behavioral Health Planning Council.** House Bill 271 (Chapter 46) repeals the Interagency Behavioral Health Coordinating Committee and creates a Behavioral Health Planning Council. In addition, a new interagency behavioral health purchasing collaborative is created and will be chaired by the secretary of the Human Services Department. The secretaries of the Children, Youth and Families Department and Department of Health will alternate annually as co-chairs. The collaborative will identify behavioral health needs; inventory all expenditures; plan, design, and direct a behavioral health system; and contract with one or more behavioral health entities to provide statewide services.

**False Medicaid Claims.** House Bill 468 (Chapter 49) enacts the Medicaid False Claims Act. The purpose is to deter people from falsely seeking Medicaid payments and to provide remedies including treble damages and civil penalties. The legislation requires the Human Services Department to notify the Attorney General before filing a civil action. The Attorney General must provide written approval before the department proceeds with the action and must consent in writing before the department dismisses or settles the claim.

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**Higher Education.** The General Appropriation Act fully funds workload under the second year of the “base-plus-incentive” higher education funding model, along with the second phase of the conversion of the Taos Instructional Center to a University of New Mexico branch campus. The funding level assumes institutions will raise tuition in FY05 by 4 percent, while state student financial aid from general fund sources is flat compared with FY04. Funding for salary increases of 2 percent for faculty and staff is included at a total cost of \$13.3 million.

**Baccalaureate Degree Program for Northern New Mexico Community College.** Senate Bill 163 (Chapter 84) authorizes Northern New Mexico Community College in partnership with New Mexico Highlands University to develop, implement, and seek accreditation for a baccalaureate degree program in teacher education at the Espanola campus. The General Appropriation Act includes \$175 thousand for the initiative.

**Pecos River Basin Water Rights Purchases.** The General Appropriation Act appropriates \$20 million from the general fund for the purchase of land and appurtenant water rights or rights to the delivery of water to meet the requirements of the Pecos River settlement. The appropriation replaces \$20 million of the \$30 million appropriated for the same purpose in Chapter 109 of Laws 2002. An initial increment of \$10 million of the 2002 appropriation had been expended.

The General Appropriation Act contains language continuing a number of prior-year appropriations to the State Engineer and includes nonrecurring appropriations to support a large number of term positions that have traditionally been funded year to year.

**Gaming Control Board.** The Legislature appropriated \$2.5 million for the Gaming Control Board to negotiate a contract for a new central monitoring system that would have allowed for racetrack casinos and fraternal clubs to install more advanced gaming machines. However, the governor vetoed \$2 million of the appropriation, which could have significant revenue implications. Most racetrack casinos do not have the maximum number of gaming machines allowed because the machines supported by the current central monitoring system are not compatible with Indian casinos. The board will receive \$4.9 million from the general fund to regulate gaming in FY05.

**Capital Outlay.** Strong economic factors such as high crude oil and natural gas prices combined with rules changing the timing for recognizing revenues (Governmental Accounting Standards Board Statement 34) contributed to significantly more funding for statewide projects from severance tax bond capacity, general obligation bond capacity, and the general fund. The two major capital outlay bills enacted appropriate more than \$490 million for infrastructure projects statewide.

## II. REVENUE AND FINANCIAL SUMMARY

**General Fund Financial Summary.** Table 1 reports the general fund financial summary. FY05 recurring revenue, adjusted for legislation, is estimated to be \$4.38 billion, a 4.2 percent increase over FY04 estimated revenues. FY05 recurring appropriations are \$4.38 billion, a \$252

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million, or 6.1 percent, annual increase. FY05 recurring revenue and recurring appropriations are balanced. Estimated general fund reserve ending balances are \$399 million (9.7 percent of recurring appropriations) and \$386 million (8.8 percent of recurring appropriations) for FY04 and FY05, respectively. The balances are swelled by an estimated \$285 million one-time revenue adjustment associated with the shift in revenue recognition policy recommended by Governmental Accounting Standards Board Statement 34 (GASB 34).

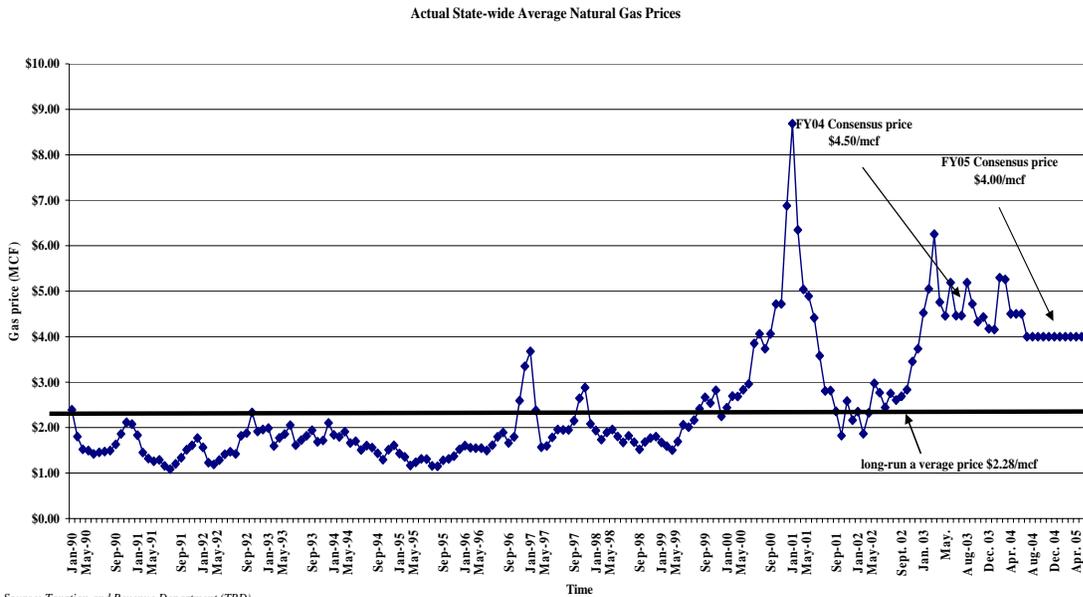
The General Appropriation Act also transfers \$120 million to the appropriation contingency fund (see Table 1, page 2). These funds will be isolated in a separate account and can only be spent for the implementation and maintenance of education reform. The creation of this special account stems from executive and legislative interest in keeping faith with voters' approval of the constitutional amendment that increased land grand permanent fund distributions from 4.7 percent to 5.8 percent to pay for education reforms.

**Revised Revenue Outlook.** Table 2 presents the January 2004 consensus revenue estimate adjusted for 2004 enacted legislation. FY05 recurring adjustments for legislation total \$59.7 million; \$35.6 million is the net from tax changes, and \$25 million is due to improved revenue collections expected from the Taxation and Revenue Department's expanded audit program. The \$25 million increment is in addition to the enhanced tax collection initiatives passed in the 2003 legislative session. Increased revenues resulting from tax changes include \$12.4 million (\$19.5 million recurring, and -\$7.1 million nonrecurring) from the 1 percent health insurance premium surtax and \$22.5 million from the healthcare facility daily bed surcharge. These increases are partially offset by legislation that removes the gross receipts tax from food and some medical services while increasing the gross receipts tax rate in municipalities by 0.5 percent; the net effect of these gross receipts tax changes is estimated to be a \$2.7 million reduction in general fund revenues.

Total FY05 recurring revenue growth, after adjustments for legislation, is projected to be 4.2 percent. Absent revenue-related legislation, projected recurring revenue growth would have been a tepid 2.7 percent. In large part, weak revenue growth can be attributed to two factors: lower energy price assumptions (see discussion below) and the second year of the five-year personal income tax reduction enacted in 2003 (see discussion of five-year forecast).

Lower energy price assumptions are shown in Table 3 as well as other economic assumptions. In FY05, the expected crude oil price is \$26/barrel and the estimated natural gas price is 4/thousand cubic feet, representing reductions from FY04 projected prices of 9 percent and 11 percent, respectively. However, these prices are still significantly above the long-term average price of both commodities (see following graph). The forecast also incorporates assumed production declines of approximately 1.6 percent for natural gas and 1 percent for crude oil in FY05. The volatility of natural resource revenue, which accounts for about 15 percent of general fund revenues, constitutes a major risk to the overall revenue forecast.

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The second contributor to FY05 slow revenue growth is flat personal income tax (PIT) revenues, largely due to the second phase of the personal income tax reduction passed in 2003 that reduces the top income tax rate from 7.7 percent to 6.8 percent. While PIT revenues normally grow somewhat faster than personal income, revenues in FY05 are only expected to increase by \$36 million, or 3.7 percent, compared with projected personal income growth of 5.2 percent in FY05. According to the Taxation and Revenue Department, the rate reduction is expected to reduce FY05 general fund revenues by approximately \$66 million.

**Revenue Bills.** Table 1 lists revenue bills enacted in 2004. Two bills provided significant revenue enhancements: Senate Bill 385 and Senate Bill 502. Senate Bill 385 (Chapter 4) creates a new daily bed surcharge imposed on each licensed nursing home, intermediate care facility for the mentally retarded, and residential treatment center. The rate of the surcharge will be determined annually by the Human Services Department, but should average about 6 percent of a facility's prior-year revenues. The legislation is expected to generate approximately \$22.5 million in FY05. Senate Bill 502 (Chapter 122) imposes a health insurance premium surtax of 1 percent on gross health insurance premiums and membership and policy fees. It is expected that this legislation will generate approximately \$19.5 million for the general fund in FY05. Other revenue bills passed by the Legislature in 2004 are detailed below.

Senate Bill 436 (Chapter 99) creates an income tax credit for expenses paid to licensed nursing homes, licensed intermediate care facilities for the mentally retarded, and licensed residential treatment centers. The credit is refundable and limited to \$10 per day. Provisions of the bill are applicable to taxable years beginning on or after January 1, 2004, and do not apply after January 1, 2008. Expenses incurred before July 1, 2004, and after June 30, 2007 are not eligible for the credit. The bill has a delayed repeal, effective July 1, 2008. The FY05 cost to the general fund is estimated to be \$2.2 million.

House Bill 240 (Chapter 5) creates the "insurance operations fund." This fund will receive

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receipts from the insurance department suspense fund attributable to fees charged for insurers' certificates of authority and agents' licenses and appointments. According to the Public Regulation Commission (PRC), deposits are expected to be \$4.63 million in FY05, reflecting the amount for agents' annual license fees. Under previous law, these fees were transferred to the general fund. Appropriations from the insurance operations fund will be used for the operations of the PRC Insurance Division. At the end of each fiscal year, the balance in the insurance operations fund greater than 50 percent of that year's appropriation will revert to the general fund. The FY05 cost to the general fund is approximately \$1 million.

Senate Bill 114 (Chapter 109) amends current law to include the Santo Domingo Pueblo, in addition to Nambe Pueblo, in gasoline tax-sharing agreements with the New Mexico Department of Transportation and Taxation and Revenue Department. The legislation also directs approximately \$400 thousand to the general fund from balances remaining from gasoline tax revenue on 30 million gallons sold by a qualified Native American distributor who has entered into gasoline tax sharing agreements with transportation and taxation departments. The FY05 benefit to the general fund is estimated to be \$511 thousand.

Senate Bill 53 (Chapter 116) amends the Small Cities Assistance Act by eliminating the \$56 thousand ceiling and the general fund reversion provision. The FY05 cost to the general fund is projected to be \$680 thousand.

House Bill 625 (Chapter 15) removes the gross receipts tax from qualifying food sales and certain healthcare services. It creates new distributions to cities and counties to offset revenue losses from removing those taxes. The new distribution is anticipated to generate approximately \$31.4 million for local governments, thus holding them harmless. Further, the legislation adjusts the county equalization formula, provides a penalty to taxpayers who incorrectly report food and health services deductions, and repeals the municipal gross receipts tax credit. The table below details the fiscal impact on the general fund and local governments.

<b>Estimated Impact on Revenues</b>			
<b>(in millions of dollars)</b>			
	<u>FY05</u>	<u>FY06</u>	<u>Funds Impacted</u>
Food Deduction	(29.50)	(60.00)	General Fund
	(23.20)	(47.00)	Local Government
Health Practitioner Deduction	(9.50)	(20.30)	General Fund
	(8.20)	(17.50)	Local Government
Local Government Offset	(31.40)	(64.50)	General Fund
	31.40	64.50	Local Government
Repeal Municipal Credit	67.70	142.30	General Fund

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Estimated Impact on Revenues (in millions of dollars)			
Net Impact of all Provisions	(2.70)	(2.50)	Net General Fund
Source: TRD bill analysis Feb. 19, 2004			

Senate Bill 28 (Chapter 58) amends current statute to create a tax credit equal to 10 percent of wages and benefits of new employees in “high wage jobs.” The total credit is limited to \$12 thousand per eligible employee, and credits may be claimed up to four years. To be eligible, the high-wage job must be created after July 1, 2004, and before July 1, 2009, and be occupied for at least 48 weeks of the year prior to the claim for credit. The job must pay at least \$40 thousand per year if located in a municipality with a population of 40,000 or more, or at least \$28,000 per year elsewhere in the state. The tax credit can be taken against the taxpayer’s modified combined tax liability (gross receipts tax, compensating tax and others, excluding local gross receipts tax). The FY05 cost to the general fund is estimated to be \$600 thousand.

House Bill 234 (Chapter 105) increases the distribution of gross receipts tax paid on jet-fuel to the state aviation fund from 4.31 percent to 4.79 percent. The FY05 cost to the general fund is approximately \$67 thousand.

House Bill 376 (Chapter 87) amends the Small Counties Assistance Act by changing the formula for distributing aid from the small counties assistance fund to qualifying counties. To determine ceiling valuation for the property tax year, the legislation eliminates reference to the assessed values determined pursuant the oil and gas production and oil and gas production equipment ad valorem tax acts and the taxable value determined pursuant to the Copper Production Ad Valorem Tax Act. The FY05 cost to the general fund is projected to be \$200 thousand.

Senate Bill 333 (Chapter 16) provides qualified businesses a compensating tax deduction against the value of “test articles” when the service of research or testing the article is provided under contract with the U.S. Department of Defense. The deduction does not apply to the value of property purchased by a prime contractor operating facilities designated as a national laboratory by an act of Congress. The FY05 cost to the general fund is expected to be minimal.

Senate Bill 86 (Chapter 66) provides a one-time motor vehicle excise tax exemption for gasoline-electric hybrid vehicles with U.S. environmental protection agency fuel economy ratings of at least 27½ miles per gallon. Further, the legislation extends the gross receipts and compensating tax exemptions provided to vehicles paying the motor vehicle excise tax. The exemption would be applicable from July 1, 2004, to June 30, 2009. The FY05 cost to the general fund is expected to be \$330 thousand.

**Other State and Local Government Funds.** The Legislature in 2004 passed several bills allowing local government to impose taxes for a multitude of purposes – normally with voter approval. For example, House Bill 231 (Chapter 17) creates a municipal and county regional transit district gross receipts tax for the management, construction, or operation of a public transit

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system. With voter approval, the tax can be imposed in municipalities and “district areas of a county” within a regional transit district. If the maximum tax is approved by voters in all jurisdictions, the legislation would generate approximately \$200 million in local government funds. Similarly, Senate Bill 518 (Chapter 113) allows county commissioners in Rio Arriba County, with voter approval, to increase property taxes by up to 1.5 mills for health care for the sick and indigent. If 1.5 mills is imposed in Rio Arriba County, approximately \$1.65 million in county funds will be generated. Finally, Senate Bill 88 (Chapter 110) authorizes counties to increase the county gross receipts tax by 1/16<sup>th</sup> percent for general purposes and extends the county correctional facility gross receipts tax to all counties. If all counties impose the additional general purpose tax and the correctional facilities tax, an additional \$23.1 million and \$41.3 million, respectively, would be generated in other local government funds.

House Bill 205 (Chapter 26) allows the New Mexico Livestock Board to increase the fees associated with new brands, brand transfers and renewals, and additional copies of certified copies of brands. If the fees are increased to the maximum allowed, the associated increase in other state funds would be \$1.4 million.

Senate Bill 23 (Chapter 69) expands the definition of governmental gross receipts to include “the renting of parking, docking or tie-down spaces or the granting of permission to park vehicles, tie-down aircraft or dock boats.” The legislation is expected to generate approximately \$1 million in other state funds.

Senate Bill 74 (Chapter 56) imposes an additional 30 cent fee on employers covered by Workers’ Compensation Act to \$2.30 per employee per quarter and is expected to generate approximately an additional \$750 thousand in other state funds in FY05.

Senate Bill 563 (Chapter 38) increases the minimum and maximum amount of probation fees as well as parole supervision fees paid by offenders. Senate Bill 563 (Chapter 38) is expected to generate approximately \$105 thousand in other state funds.

Senate Bill 236 (Chapter 97) increases the maximum rate of the convention center fee, allows rate decreases under certain circumstances, and broadens the purposes for which the fee revenue may be used in Santa Fe. If fees are increased by 1 percent to 2 percent, the legislation would generate approximately \$1.1 million in other state funds.

Senate Bill 536 (Chapter 52) increases the maximum license fee for a wholesale drug distributor, drug manufacturer, or drug warehouse from the current annual fee of “not to exceed \$300” to a new annual fee that will not exceed \$5,000. The legislation would generate approximately \$2.9 million if annual fees were increased to \$5,000.

**Dynamic Scoring.** A two-year dynamic scoring pilot project led by the Department of Finance and Administration (DFA) with input from the LFC and other agencies was passed in the 2003 session (Laws 2003, Chapter 73) because of concerns by the economic development community that static analysis discounts the stimulative impacts central to many proposals. The pilot project

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is mandated for the 2004 and 2005 legislative sessions for bills with fiscal impacts greater than \$10 million. DFA sent a letter to the finance committees of both legislative chambers indicating dynamic scoring analysis of eligible bills would be prepared upon request. According to DFA, no requests were forthcoming during the 2004 session; however, a dynamic analysis was prepared for the income tax reductions enacted in 2003. As detailed in Frame 4 below, the fiscal results of the dynamic analysis differed little from the static analysis. The fiscal impacts from the two analyses are summarized in the following tables. The static analysis only reports the fiscal impact of the revenues directly affected by the changes to the income tax system. The dynamic analysis, by contrast, reports how changes to the tax system alter economic incentives, the composition of the economy, and economic growth. The changes, in turn, affect the entire revenue system.

A summary of the income tax changes is presented in Frame 1. Frames 2 and 3 report the fiscal impacts estimated in a static and dynamic analysis frameworks. Frame 4 shows the differences between the two approaches. Frame 5 reports the economic impacts resulting from the dynamic analysis.

## Frame 1: Synopsis of Tax Changes

Personal income tax rates are reduced from 8.2% in tax year 2002 to

- 7.7% in tax year 2003
- 6.8% in tax year 2004
- 6.0% in tax year 2005
- 5.3% in tax year 2006
- 4.9% in tax year 2007 and thereafter

Taxpayers also permitted to deduct the greater of \$1,000 or the following percentage of their net capital gain income from taxable income:

- 10% in tax year 2003
- 20% in tax year 2004
- 30% in tax year 2005
- 40% in tax year 2006
- 50% in tax year 2007 and thereafter

The "grace period" for processing refunds without the state paying interest, is reduced from 75 days to 55 days following submission of the refund claim.

## Frame 2: Static Analysis of Income Tax Reductions (in millions of dollars)

<b>General Fund Revenue Impacts</b>	<b>FY04</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>
Interest Payments on Refunds	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Personal Income Tax Rate Reductions	(17.1)	(72.2)	(151.1)	(254.4)	(332.4)
Capital Gains Deduction	(4.2)	(10.3)	(15.6)	(20.3)	(27.4)
<b>Total Fiscal Impact</b>	<b>(21.8)</b>	<b>(83.0)</b>	<b>(167.2)</b>	<b>(275.2)</b>	<b>(360.3)</b>

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**Frame 3: Dynamic Analysis of Income Tax Reductions  
(in millions of dollars)**

<b>General Fund Revenue Impacts</b>	<b>FY04</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>
Gross Receipts Tax	0.7	1.9	3.7	5.8	7.2
Personal Income Tax	(21.8)	(83.2)	(167.5)	(275.7)	(360.9)
Corporate Income Tax	0.03	0.08	0.2	0.2	0.3
Other Revenues	0.1	0.4	0.7	1.0	1.2
<b>Total Fiscal Impact</b>	<b>(21.0)</b>	<b>(80.8)</b>	<b>(163.0)</b>	<b>(268.7)</b>	<b>(352.2)</b>

**Frame 4: Differences in Estimated Revenue Impacts**

<b>General Fund Revenue Impacts</b>	<b>FY04</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>
Static Analysis	(21.8)	(83.0)	(167.2)	(275.2)	(360.3)
Dynamic Analysis	(21.0)	(80.8)	(163.0)	(268.7)	(352.2)
<b>Difference</b>	<b>(0.8)</b>	<b>(2.2)</b>	<b>(4.2)</b>	<b>(6.5)</b>	<b>(8.1)</b>

In all likelihood the relatively small impacts are explained by the state's balanced budget requirement. Revenue reductions imply reductions in government spending. Reduced government spending is largely offset by increased personal consumption expenditures. So, while which sector of the economy is spending is significantly impacted, the net impact on the state economy is probably minimal. The economic impacts of the tax cut are shown in Frame 5.

**Frame 5: Dynamic Economic Effects**

<b>Measure</b>	<b>FY04</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>
Employment (Thousand of Jobs)	(0.031)	(0.086)	(0.156)	(0.225)	(0.242)
Employment: Private Nonfarm	0.311	0.846	1.601	2.417	2.950
Employment: Government	(0.342)	(0.932)	(1.759)	(2.641)	(3.191)
Personal Income (Millions of Dollars)	(1.500)	(5.000)	(9.000)	(11.500)	(9.500)
Disposable Personal Income (Millions of Dollars)	30.0	84.000	165.500	260.000	332.000
Output (Millions of Dollars)	0.597	1.824	4.326	10.064	16.627
Population (Thousands of Persons)	0.183	0.590	1.328	2.389	3.601

### III. SPENDING REVIEW

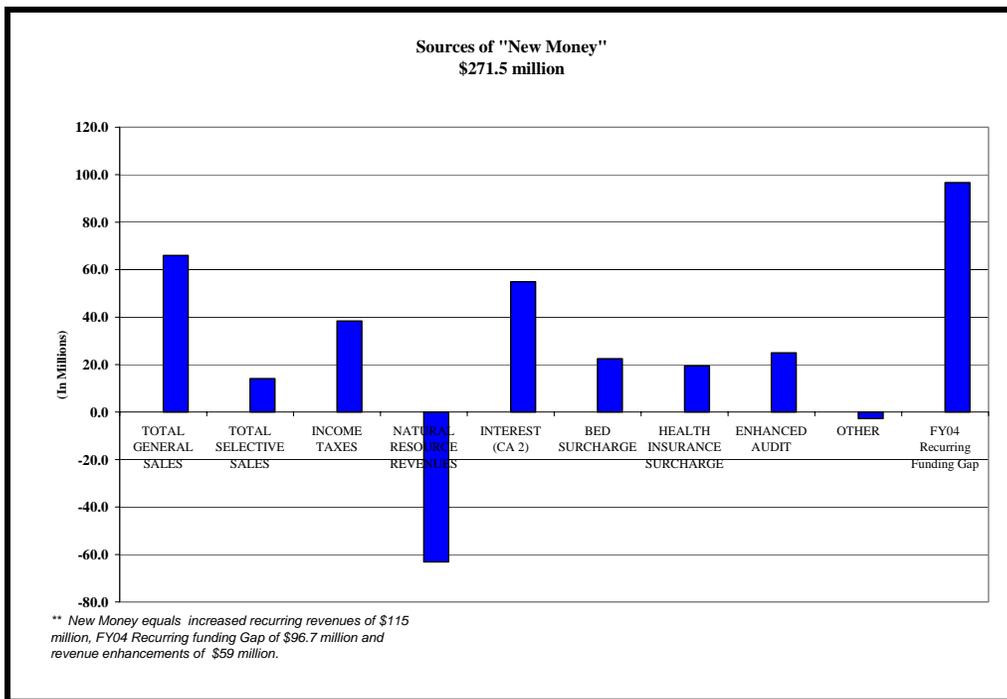
**Fiscal Year 2005 Overview.** Recurring general fund appropriations are provided predominantly in two separate legislative acts: the General Appropriation Act of 2004 (Chapter 114) and the “feed bill” (Chapter 1), which funds legislative activity. As indicated in Table 1, “General Fund Financial Summary”, the Legislature appropriated a total of \$4.38 billion from the general fund for FY05 recurring purposes, after the governor’s partial veto. Recurring FY05 appropriations will increase by \$264 million, or 6.4 percent over the current FY04 operating budget. Table 4 details recurring general fund appropriations for all agencies, Table 5 reflects additional appropriations, and Tables 14 and 15 reflect special, new initiative, supplemental, deficiency and data processing appropriations of the General Appropriation Act.

“New money” (estimated recurring revenue less prior-year recurring spending) for FY05 totals approximately \$271 million, of which \$115 million is derived from increased recurring base

# 2004 POST-SESSION FISCAL REVIEW

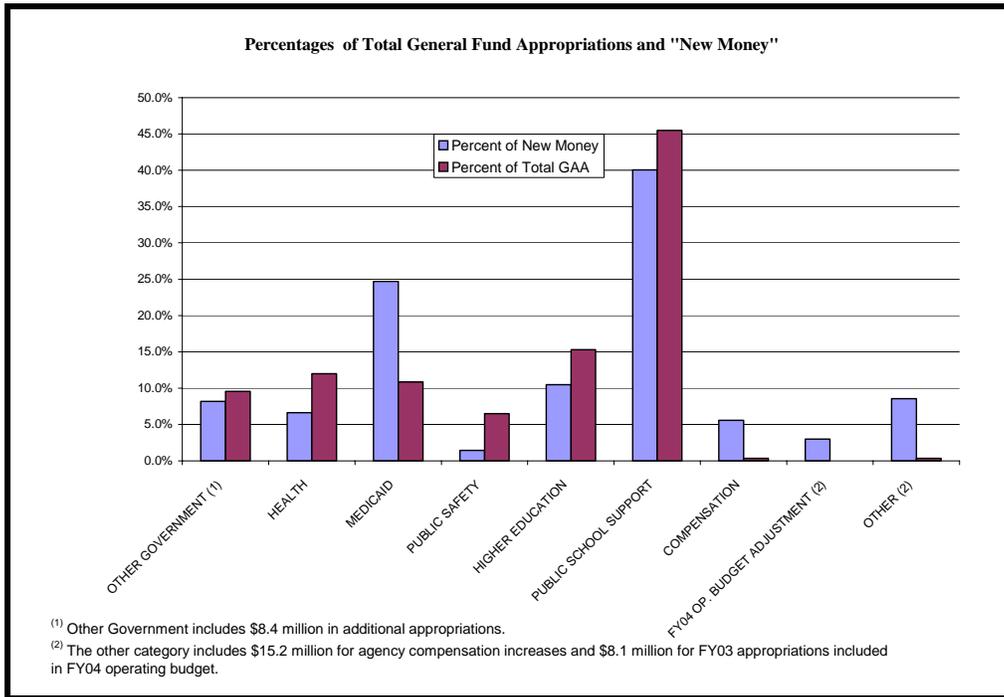
revenues (see figure below). Sales taxes and income taxes account for approximately \$80 million and \$38 million, respectively, of new revenue. The decline in the assumed statewide average price for natural gas and crude oil accounts for approximately a \$63 million reduction in FY05. Finally, general fund interest income associated with the passage of the constitutional amendment changing the distribution of the permanent fund contributes approximately \$55 million in new money.

Sources of new money associated with the passage of 2004 legislation total approximately \$60 million. Of this amount, \$22.5 million is attributable to the health facility daily bed surcharge, \$19.5 million is attributable to the health insurance premium surtax, and \$25 million is attributable to increased revenue collections expected from an enhanced audit and compliance program funded in the General Appropriation Act.



The expenditure of new money reflects the legislative priorities of education and health. Incremental appropriations to education include \$109 million for public schools and \$67.2 million for Medicaid. The graph below details the percentages of new money and total general fund appropriations distributed to various segments of state government. Approximately 40 percent of new money is appropriated to public schools, while 25 percent is used for Medicaid.

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Higher education spending will increase by \$25.6 million, or 4 percent, and accounts for 15.2 percent of the total FY05 general fund budget. The principal components of the higher education increase are compensation for faculty and staff and workload for both two- and four-year institutions.

Highlights of the major governmental spending categories follow.

## JUDICIAL

**Judiciary.** The General Appropriation Act appropriates a total of \$105.4 million to the judiciary. This is a \$7.5 million, or 7.2 percent, increase. Compensation increases of 6 percent for judges and 2 percent for other staff uses \$2.2 million from the general fund. The governor vetoed two significant items for the judiciary: \$200 thousand to replace lapsing federal funds for juvenile drug courts and \$2 million to furnish and equip new courthouses. However, the Legislature acted early in the appropriation process to specify that \$1.5 million of the general fund appropriation for drug courts is maintained as a recurring expenditure.

Most of the appropriation increase is directed toward the largest courts. The 2nd Judicial District Court will receive a 4 percent general fund increase for a total of \$16.5 million, and Bernalillo County Metropolitan Court is appropriated \$16.2 million, a 7 percent increase principally for security costs. The Administrative Office of the Courts will receive the largest increase, 15 percent over FY04, or \$32.2 million. This includes \$300 thousand for juror payments and \$700 thousand for new computers because the warranty on all hardware expires in the coming fiscal year. Two significant programs will use other state funds. Warrant enforcement revenue of

# 2004 POST-SESSION FISCAL REVIEW

\$500 thousand will be used to prioritize 180,000 outstanding warrants dating from 1979, and \$750 thousand from the court facilities fund is directed to the third phase of a video arraignment project for magistrate courts. This should decrease costs throughout the criminal justice system in New Mexico.

Among small agencies, the Judicial Standards Commission will receive a 23 percent general fund increase, with a 50 percent increase in staff.

**District Attorneys.** Collectively, the district attorneys will receive an additional \$1.1 million in general fund appropriations, an increase of 2.9 percent. The increase includes funding for several expansion positions.

The 4<sup>th</sup> Judicial District Attorney's office will receive \$530 thousand to complete the prosecution of criminal cases related to the Santa Rosa prison riot. In addition, the period of time for expending 2003 appropriations for this purpose is extended through fiscal year 2005.

The 2<sup>nd</sup>, 4<sup>th</sup> and 11<sup>th</sup> judicial districts are also appropriated a cumulative \$199 thousand from the general fund to replace federal funds for enforcement of the Violence Against Women Act.

The Administrative Office of the District Attorneys is appropriated \$300 thousand for computer hardware and software to complete the implementation of a statewide case management system.

## GENERAL CONTROL

**Taxation and Revenue Department.** For FY05, the Taxation and Revenue Department (TRD) total appropriation is \$65 million, with \$55.7 million from the general fund. This represents a 5.1 percent increase from the FY04 level. The general fund increase of \$2.9 million includes an appropriation of \$2.5 million for the following revenue enhancement initiatives: (1) permanent funding for the Tax Fraud Bureau, (2) four additional positions for the Revenue Processing Division, and (3) increased salaries and benefits in the Audit and Compliance Division to improve recruitment and retention.

TRD also received three special one-time appropriations.

1. \$2.3 million for software enhancements, equipment and postage costs connected to the FY05 enhanced revenue collection initiative;
2. \$230 thousand to allow the Motor Vehicle Division to standardize fee agent contracts and operating procedures to maximize driver's license and other motor vehicle related fees; and
3. \$381 thousand to enable Motor Vehicle Division to review and revise the traffic citation fee collection process.

**Department of Finance and Administration.** Section 4 of the General Appropriation Act provides a total of \$73.3 million to the department for both operating and non-operating expenses. Of the total, \$12.1 million was appropriated for agency operations and of that amount

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\$10.5 million is from the general fund. The total appropriation for agency operations in FY04 was \$10.9 million. The number of authorized FTE for DFA in FY05 increased by four permanent employees and four term employees.

The amount the Board of Finance can transfer from the general fund operating reserve to address critical emergencies was increased from \$500 thousand to \$1 million.

DFA receives several special appropriations often providing funds for community services to local government entities. Other significant special appropriations to DFA include \$700 thousand to improve the administration of the capital outlay program, \$4.9 million to increase the number of people served by the developmental disabilities Medicaid waiver program at the Department of Health and the disabled and elderly Medicaid waiver program at the Human Services Department, and \$800 thousand for operating expenses of the Cumbres and Toltec Scenic Railroad Commission.

**Public Defender Department.** The Public Defender Department's appropriation includes \$29.5 million from the general fund and \$700 thousand from cash balance. The appropriation includes \$500 thousand to begin the process of raising the salaries of department attorneys to the levels of other state government attorneys. The department also will receive a special appropriation of \$870 thousand to defend those charged in the Santa Rosa prison riot cases.

**Office of the Governor.** For the second straight year, appropriations to the Governor's Office grew substantially. The General Appropriation Act includes \$4.1 million for FY05, an increase of 16 percent over the previous year. In addition, the Governor's Office will receive \$50 thousand for expenses related to the border governors conference.

## COMMERCE AND INDUSTRY

**Economic Development Department.** The appropriations to the Economic Development Department from the general fund include \$6 million for the Job Training Incentive Program (more commonly known as in-plant training), \$100 thousand for the border governors conference, \$400 thousand for the Office of Military Base Planning and Support, and \$235 thousand for the Main Street Program.

**Regulation and Licensing Department.** The appropriation to the Regulation and Licensing Department (RLD), while slightly lower than FY04, includes approximately \$766 thousand redirected from rent savings as a result of the department moving into state-owned facilities. The RLD appropriation also includes legislative authorization for 18.2 additional FTE as a result of a \$1.5 million appropriation in 2003 added to the department's base. Fee increases tied to the appropriation have been adopted and are in place.

# 2004 POST-SESSION FISCAL REVIEW

The General Appropriation Act includes a special appropriation of \$100 thousand for the alcohol servers training program in the Alcohol and Gaming Division to support nonrecurring costs associated with an upgrade of the program. The division will implement an application fee to cover the recurring costs of the program.

**Public Regulation Commission.** The General Appropriation Act increases the commission's general fund appropriation by \$323 thousand, or 2.5 percent, from FY04 to FY05. The agency will receive a supplemental appropriation of \$400 thousand for personal services and employee benefits from the agent surcharge fund to compensate for a budget shortfall in FY04. However, specific language in the General Appropriation Act prevents the commission from requesting category transfers into or out of personal services and employee benefits for FY05. The commission also will receive a special appropriation of \$250 thousand from the general fund for a needs assessment by the State Fire Marshal's Office recommended in a 2003 LFC performance audit.

Senate Bill 170 (Chapter 80) creates a new, nonreverting pipeline safety fund to address the costs of the agency's duties. The fund will receive fees to be collected from the natural gas utilities subject to the act. The legislation allows the utilities to recover the cost of the fee from their ratepayers without seeking authority through a rate case for a rate increase.

House Bill 240 (Chapter 5) creates a new operations fund for the Insurance Division. The fund will receive fees charged for insurers' certificates of authority and agents' licenses and appointments. Any balance remaining in the fund at the end of a fiscal year greater than 50 percent of that fiscal year's appropriation shall revert to the general fund.

## **AGRICULTURE, ENERGY, AND NATURAL RESOURCES**

**Department of Game and Fish.** The FY05 budget represents a small overall increase from the previous year with a flat general fund appropriation. The agency's appropriation also includes \$100 thousand for the operation of Ute Dam. A \$75 thousand special appropriation contained in the General Appropriation Act will be used for habitat improvement and water rights acquisition at the Bernardo wildlife area. The appropriation is from the game protection fund.

A special appropriation of \$100 thousand from the game protection fund is appropriated to the State Engineer for the operation of Eagle Nest Lake and its dam. Senate Joint Resolution 3 authorizes the transfer of property from the Department of Game and Fish to the State Parks Division of the Energy, Minerals and Natural Resources Department to establish Eagle Nest State Park.

**Energy, Minerals and Natural Resources Department.** The agency appropriation represents a \$781.2 thousand increase over the previous year. The entire increase is found in the state parks budget with small reductions in the other divisions. These increases are intended to offset revenue lost because of declining attendance at state parks as a result of chronic drought conditions. The agency appropriation also includes a 9-FTE expansion in state parks.

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**Office of the State Engineer.** While the general fund appropriation to the Office of the State Engineer/Interstate Stream Commission reflects a 0.6 percent decrease, the department will receive \$1.1 million in additional distributions from the land grant permanent fund, the result of the constitutional amendment approved by voters in September 2003. This will partly fund core, recurring agency functions supported through special appropriations in the past. In addition the department will receive \$4.1 million in special appropriations in FY04 and FY05, mostly to support recurring costs such as water masters, compliance with federal mandates in the Pecos River Basin, implementation of the statewide water plan, and conversion of term FTE to permanent FTE.

Special appropriations in the General Appropriation Acts of 2002 and 2003 totaling more than \$19 million but not fully encumbered or expended in the allowable timeframe were extended through June 30, 2005. Also, the General Appropriation Act of 2004 appropriates \$20 million from the general fund to meet the water-delivery requirements of the Pecos River settlement. The appropriation replaces \$20 million of a \$30 million contingency appropriation for the same purpose in 2002. An initial increment of \$10 million of the 2002 appropriation had been expended.

## HEALTH, HOSPITALS, AND HUMAN SERVICES

**Aging and Long-Term Services Department.** House Bill 34 (Chapter 23) elevates the State Agency on Aging to cabinet status and designates the agency as the Aging and Long-Term Services Department. The new department will receive a \$164 thousand increase from the general fund for the reorganization, including authorization for a deputy secretary and expansion of the Community Involvement Program. The new agency will expand by the transfer of the brain injury program from the Department of Health and the disabled and elderly Medicaid waiver program from the Human Services Department. The new agency is to quadruple in size with the transfer of the Adult Protective Services program from the Children, Youth and Families Department in FY06.

**Human Services Department.** The total general fund appropriation to the Human Services Department (HSD) for FY05 is \$540.4 million, up \$68.9 million, or 14.6 percent, from the FY04 total of \$471.4 million. Approximately \$67.9 million of the increase is for the Medical Assistance Division that includes the Medicaid program. The remaining \$1.1 million of the increase is for the other three programs.

The Medicaid program without the administrative portion will receive an increase of \$67.2 million, from \$407.6 million to \$474.8 million, up 16.5 percent. Table 6 notes the program changes that make up the \$67.2 million. The greatest individual change is a result of a \$67.7 million reduction in federal matching funds as a result of a decline in the state's federal medical assistance percentage (FMAP), the matching rate. For FY04, the federal government allowed an enhanced FMAP of an additional 2.95 percent as part of a state fiscal relief package that, in effect, negated the need for a supplemental appropriation. Other significant increases include general medical inflation and enrollment expansions that account for a total of \$53.8 million.

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Offsetting these increases is \$40.2 million of assumed program reductions summarized in the table below.

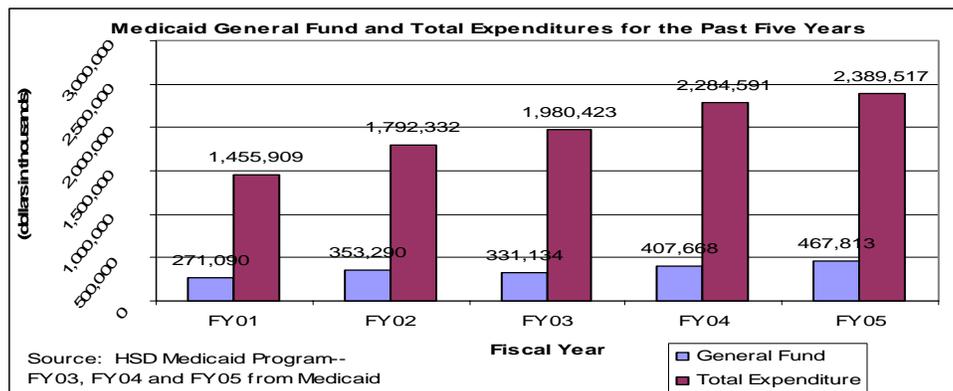
### Assumed Medicaid Program Reductions

Reduction Area	Estimated Reduction (in thousands of dollars)
Administrative Changes	17,592.7
Benefit Reductions	3,982.6
Cost-Sharing (Co-pays and Premiums) Does not apply to Native Americans	750.0
Provider Rate Reductions	15,465.0
Other Measures	2,500.0
<b>Total Cost Reductions</b>	<b>40,290.3</b>

These components provide a model to accomplish the required reductions, but HSD may exercise discretion in final implementation to ensure operating within the appropriation. The entire list of Medicaid appropriations and assumed reductions is shown in Table 7.

The general fund appropriation to the Income Support Division is a \$1.3 million increase for a total of \$39.8 million. The Legislature authorized an additional 25 FTE in response to expanding eligibility worker caseloads, which may be even higher due to a requirement that clients recertify eligibility more often. General assistance funding will increase to \$5 million in response to a growing caseload. Overall, Temporary Assistance for Needy Families (TANF) spending remains flat with a reallocation of funds to cash assistance for a rising caseload along with elimination of funding for in-plant training, secondary education initiatives, and Native American programs. Table 8 details the TANF budget.

The following table tracks the general fund and total Medicaid expenditures for the past five years.



**Labor Department.** The appropriations to the Labor Department include approximately \$1.3 million from fund balances in the workers' compensation administration fund to supplement the general fund appropriation to the compliance program and approximately \$7.5 million from the federal Reed Act distribution, \$2.1 million of which is carryover from FY04. In addition, language in the General Appropriation Act requires the department to submit vouchers to the

## 2004 POST-SESSION FISCAL REVIEW

Department of Finance and Administration. This allows the state to monitor the department's spending more carefully. It does not apply to warrants issued for unemployment insurance benefits.

**Department of Health.** The general fund appropriation to the Department of Health will increase \$8.36 million, or 3.4 percent. Approximately half of the increase in the appropriation is for additional slots in the Medicaid waiver program for the developmentally disabled. The Legislature also provided funding to offset the change in the federal match for the Medicaid waiver programs for medically fragile patients and patients with AIDS to ensure current client levels continue. The Legislature also restored proposed agency cuts in programs formerly funded by tobacco settlement revenues and the Rural Primary Health Centers Act Program. In addition, the Legislature partially restored requested agency cuts to programs funded under the Maternal Child Health Care Act. The department will prepare a performance evaluation of the program to ensure statutory requirements are being met. Supplemental funding is appropriated for AIDS drug purchases, a program to assist children with cancer, diabetes education, mental and behavioral health programs, and family planning. House Bill 271 (Chapter 46) establishes the Behavioral Health Planning Council and requires all state agencies to purchase behavioral health services through the Behavioral Health Purchasing Collaborative. In addition, House Bill 254 (Chapter 45) establishes the immunization registry to better track childhood immunization efforts from all providers, who will participate on a voluntary basis. House Bill 322 (Chapter 44) provides the secretary with notification of actions related to change of ownership or closure of hospital and long-term care facilities as a condition of licensure. The bill stops short of giving the secretary any enforcement power to restrict actions but requires reporting so the department can assess potential impacts. Lastly, Senate Bill 34 (Chapter 23) directs the department, with assistance from the New Mexico Health Policy Commission, to develop a statewide, strategic health plan.

**Environment Department.** The Environment Department's general fund budget remains flat at \$34.8 million, but the department is budgeted to use \$35 million in special revenue funds.

House Bill 19 (Chapter 88) allows the agency to use up to 30 percent of the annual distribution of the petroleum products loading fee to match federal funds for underground contamination cleanup and to address water needs. Currently, the cash balance in the corrective action fund is approximately \$18 million, which allows the department to use up to \$5.4 million. Already, \$3.2 million is included in the FY05 budget, thereby enabling the expenditure of an additional \$2.2 million, particularly for projects addressing groundwater pollution.

**Veterans' Services Department.** The General Appropriation Act includes \$2 million for FY05 operations, an increase of \$210 thousand, or 11.8 percent. Senate Bill 164 (Chapter 19) elevates the New Mexico Veterans' Service Commission to cabinet status and designates the agency as the Veterans' Services Department. Included in the appropriation, the new department receives

# 2004 POST-SESSION FISCAL REVIEW

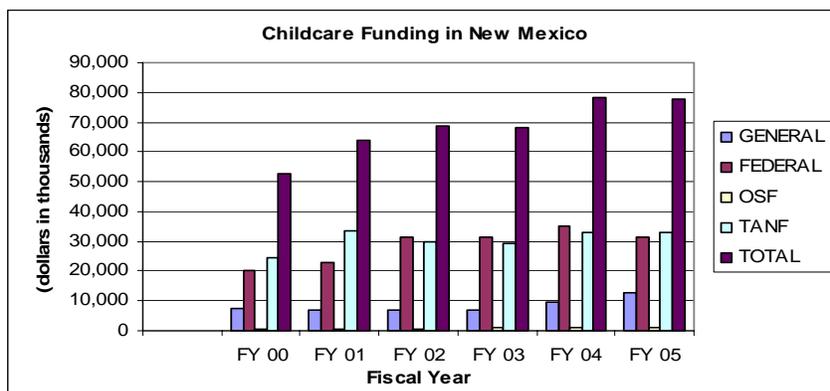
\$125 thousand from the general fund plus 2 FTE for the reorganization with the specifics to be determined by the new secretary; however, the Legislature during hearings indicated the desire that the increased funding be used to expand outreach services to veterans.

**Children, Youth and Families Department.** FY05 funding for the Children, Youth and Families Department (CYFD) is \$55 million for the Juvenile Justice program, \$99 million for child and adult protective service, \$164 million for prevention and intervention, and \$15 million for program support for a total FY05 appropriation of \$333 million, compared with an FY04 appropriation of \$323 million. The 3 percent increase in the appropriation for the Children, Youth and Families Department includes an increase of \$7.5 million from the general fund: \$2.4 million for adult services, which restores funding to the FY03 level, and \$3 million to replace federal dollars for childcare. In addition, the 3 percent pay increase authorized in FY04 is fully implemented.

Funding for the Juvenile Justice program is \$770 thousand lower in FY05 than FY04. The reduced appropriation is driven by the department's shift to front-end, community-based services and by the closing and consolidating of facilities. While the department estimates the cost of community-based monitoring and treatment to be \$15 thousand per youth annually (versus in excess of \$40 thousand per youth annually for detention), savings are not expected in the immediate future. Rather, during the initial three to five years of implementation, savings will be re-directed to building the needed community-based services infrastructure.

Funding for child and adult protective services is an increase of more than \$7 million. Approximately \$3 million is the result of higher federal program revenues anticipated by the agency.

In addition to expanding childcare eligibility, the Family Services program is striving to achieve a better approach to childcare through improved nutrition programs, more facility inspections, and provider training tied to reimbursement rate incentives. The Family Services appropriation also fully funds the state Head Start program with \$2 million in Temporary Assistance for Needy Families funds. The chart below tracks the total childcare funding for the past five years.



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Included in the \$1 million general fund increase in program support is the transfer of 7 FTE from the Juvenile Justice Division to support the move to front-end, community-based programs.

In addition, the General Appropriation Act provides \$1.7 million in a special general fund appropriation for legal costs associated with the Joseph A class action suit and \$500 thousand special general fund appropriation for domestic violence shelters. A supplemental appropriation of \$800 thousand is provided to restore funding for adult services to the FY03 level. The following additional general fund appropriations in the General Appropriation Act are available to the department:

PURPOSE	AMOUNT
Operations of McKinley county juvenile crisis center	\$50,000
Anti drug programs for children in Bernalillo county	\$75,000
Provide non-secure alternatives to detention for juveniles	\$75,000
Mentor troubled youths in Chavez county	\$10,000
Provide support services to victims of domestic violence	\$50,000

Senate Bill 381 (Chapter 74) addresses a revenue problem by allowing funds received by the Children’s Trust Fund to be dispersed one-half for abuse and neglect programs and one-half to the corpus of the fund. Instead of the corpus receiving all revenue House Bill 112 (Chapter 11) adds to the definition of child abuse the act of allowing a child to reside in a building or motor vehicle containing raw materials or equipment used for the manufacture of a controlled substance. House Bill 106 (Chapter 28) provides for early identification of unexcused school absences and truancy by requiring early intervention services by public schools and CYFD. House Bill 34 (Chapter 23) creates an Aging and Long-Term Services Department and provides for the transfer of the Adult Protective Services Division to the new department. CYFD in conjunction with the Department of Health and Human Services Department will assume responsibility for children’s mental health services in the Behavioral Health Planning Council pursuant to House Bill 271 (Chapter 46).

**Tobacco Settlement Funds.** Over the initial 25 years, the master settlement agreement between participating states and the tobacco industry will result in an estimated \$1.2 billion distribution to New Mexico. Prior to FY04, half of each year’s distribution was invested in a permanent fund and the remaining half made available for recurring appropriations. Laws 2003, Chapter 312, diverted all the tobacco settlement payments from the tobacco settlement permanent fund to the general fund through FY06. Beginning in FY07, the diversion ceases, and 50 percent will again be diverted to the permanent fund. For FY05 the amount available to the general fund is \$35.7 million.

The law also designates the tobacco settlement fund, with an approximate balance of \$62 million, as a reserve that may be expended as any other general fund reserve account when authorized by an appropriation. Appropriations from the tobacco settlement permanent fund require a three-fifths vote of the Legislature.

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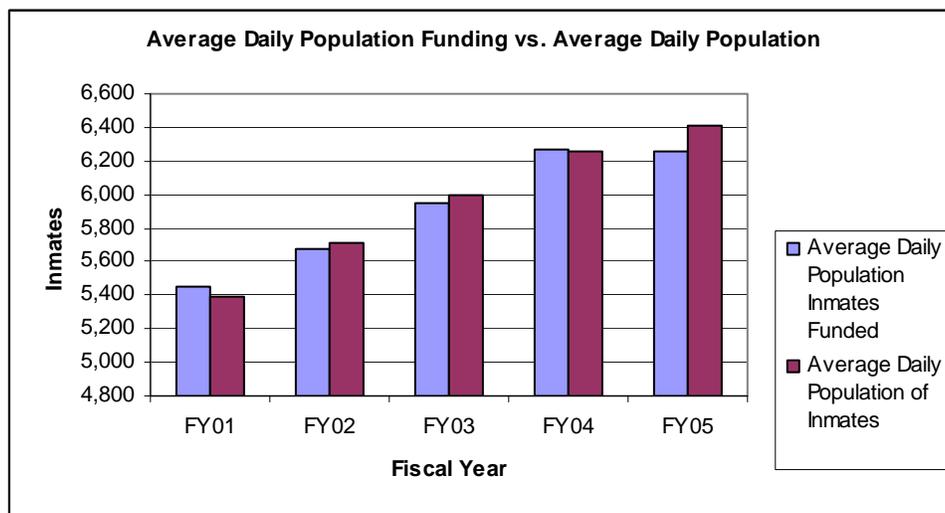
Table 9 shows the FY04 programs supported with tobacco settlement program funds along with FY05 general fund appropriations for these programs.

## PUBLIC SAFETY

**Corrections Department.** For FY05, the Corrections Department total appropriation is \$226.1 million, of which \$205 million is from the general fund. This is approximately a 1 percent increase from the FY04 operating budget. The appropriation includes \$28.4 million to provide healthcare services for inmates and \$47.6 million to pay for inmates housed in private facilities. Additionally, the department was provided authority to access up to \$1.5 million from the operating reserve if the inmate population exceeds the number of inmates funded within the department's FY05 general fund appropriation. Other services funded include \$600 thousand to provide additional sexual offender treatment programs and \$75 thousand to operate a reintegration program for female inmates.

The department is funded for less than 1 percent growth in the inmate population; during the last five years the average annual inmate population growth has been over 4 percent. To address inmate population growth, the department is reviewing various release mechanisms and employing a "balanced system" approach that stresses placing the offender in the most cost-efficient, cost-effective custody level. Successful implementation of these types of programs is crucial for the department to meet FY05 fiscal and strategic goals. To accomplish such goals, the Legislature granted expanded budget adjustment request authority for better management of the demands of a growing inmate population within the funding level provided.

The following chart notes inmate population funding for the past five years and average daily population for the past five years.



**Department of Public Safety.** The General Appropriation Act increases the operating budget for the department by more than \$1.2 million from the general fund and \$25 million from federal

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funds for homeland security efforts. The governor used a line-item veto to remove the highlight of the appropriation, a 5 percent salary increase for all department law enforcement officers. Despite the veto, state police will receive a 5 percent salary increase. Other highlights include \$822.3 thousand from the general fund for opening the Orogrande port of entry; a 9 percent increase from the state road fund for the Motor Transportation Division to address a 20 percent turnover rate, \$400 thousand and 4 FTE to hire a drunken driving prevention czar and staff to coordinate statewide initiatives, and \$375 thousand to address the backlog in deoxyribonucleic acid (DNA) testing at the crime laboratory.

## TRANSPORTATION

During the 2003 special legislative session, the Legislature increased revenues to the state road fund by \$60 million annually. This revenue increase is included in the FY05 appropriation, resulting in a 22 percent increase over FY04. The primary use for the new revenue is to pay annual principal and interest payments for the Governor Bill Richardson Investment Partnership (GRIP) bond program, estimated at \$40 million. The Legislature was successful in its negotiations with the New Mexico Department of Transportation to earmark \$11.5 million for a state construction program unfunded since FY03. Additionally, the Legislature appropriated \$1.65 million to continue the Park and Ride program and \$5.1 million to allow the department to fill more than 400 vacancies.

The governor vetoed a \$500 thousand appropriation to the Taxation and Revenue Department to enhance audits of the weight distance tax.

## PUBLIC EDUCATION

**Public Schools.** The FY05 general fund appropriations for public education provides approximately \$2 billion for public school and education-related programs, an increase of \$112 million, or 6 percent (see Table 10). The increases include \$20.9 million for employee insurance and fixed-cost increases; \$31.6 million for a compensation increase of 2 percent for all public school personnel, \$25.7 million to annualize the 6 percent salary increase initiated in FY04, \$8.6 million for a \$35 thousand minimum salary for level two and level three teachers in FY05 to implement the second year of the five-year phase-in of the three-tiered licensure framework, \$9.6 million from the general fund for the final year of the five-year phase-in of full-day kindergarten, \$4 million for the second year of the three-year phase-in of elementary fine arts education, and \$5 million to establish a career advancement initiative for educational assistants.

The total state equalization guarantee of \$1.8 billion reflects the credits applied from a local mill levy, federal forest reserve funds, and the operational portion of the federal impact aid funds, all of which remain in the local district. The state does not take credit for impact aid funds designated for special education or for students living on Indian lands.

The passage of the land grant permanent fund constitutional amendment provides an increase in the annual distribution from the permanent fund from 4.7 percent to 5 percent of the average of

## 2004 POST-SESSION FISCAL REVIEW

calendar year-end market values of the fund for the immediately preceding five years. Between FY05 and FY12, this amendment will provide an additional distribution of eight-tenths of 1 percent, for a total of 5.8 percent and an additional distribution of one-half of 1 percent for the four years after that (FY13 through FY16), for a total distribution of 5.5 percent. As detailed in Table 11, the Legislature appropriated approximately \$47 million in FY05 and \$10.9 million for FY04 or FY05 to support public school reforms initiatives. The General Appropriation Act also includes language that transfers \$120 million from the general fund to a contingency fund to be appropriated by the Legislature for education reforms in future years.

Categorical and related appropriations total approximately \$152 million and include public school transportation, instructional materials, educational technology, incentives for school improvement, family and youth resource act projects, and expanded services for the Indian Education Act.

**Higher Education.** Total FY05 recurring appropriations for higher education are \$670.1 million, up \$25.6 million, or 4 percent, over FY04 (see Tables 4, 12 and 13). The Legislature fully funds workload under the second year of the “base-plus-incentive” higher education funding model as well as the second phase of the conversion of the Taos Instructional Center to a branch campus. The funding level assumes institutions will raise tuition in FY05 by 4 percent, similar to the assumption for FY04. State student financial aid from general fund sources is flat compared with FY04. The higher education package takes credit for FY05 incremental institutional revenues from the passage of the constitutional amendment increasing permanent fund distributions and reduces most nonstatutory research and public service programs (excluding University of New Mexico Health Sciences Center) by 5 percent. The Legislature included funding for an expansion of building renewal and replacement funding for the statewide facilities of the Agricultural Experiment Station at New Mexico State University (NMSU), while House Bill 142 (Chapter 6) directs NMSU to establish an agricultural building repair and maintenance fund for designated facilities. Public, post-secondary institutions will receive \$13.3 million from the general fund for salary increases of 2 percent for faculty and staff.

Among the other notable appropriations to higher education institutions, the General Appropriation Act continues the use of \$4.4 million from the general fund for research and other programs at the University of New Mexico Health Services Center (UNM HSC) for activities previously supported by the tobacco settlement program fund. UNM HSC will receive special appropriations of \$900 thousand for pediatric oncology and \$900 thousand for the hepatitis C virus education and treatment network pilot project. UNM HSC must report annually on performance outcomes and the costs and benefits of the pilot project. Further, NMSU receives \$4.8 million to be equally split between a restoration and revegetation of native species initiative on the Canadian, Pecos and Rio Grande rivers and a non-native phreatophyte eradication and control program on these rivers. Up to \$500 thousand of the appropriation is made available to an inter-agency working group for a policy and management planning initiative for the project. The governor’s vetoes include \$200 thousand for an independent study by New Mexico Institute

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of Mining and Technology regarding the effectiveness of the phreatophyte eradication and native species restoration and revegetation programs, including performance evaluation, costs and benefits, and water conserved.

With respect to other components of the higher education mission, the General Appropriation Act includes funding to continue to address labor force issues, including nursing and teacher shortages along with funding for high skills training needs and adult basic education programs. The governor's vetoes include \$6 million for the faculty endowment fund. In his message, the governor addresses the importance of the initiative and encourages the Commission on Higher Education (CHE) and the state's three research institutions to move forward in drawing down existing funding balances.

Finally, the General Appropriation Act includes \$175 thousand for a baccalaureate program in teacher education at Northern New Mexico Community College (NNMCC). Senate Bill 163 (Chapter 84) authorizes NNMCC to develop, implement, and seek accreditation for the program at the Española Campus in partnership with New Mexico Highlands University.

The General Appropriation Act directs CHE to produce a variety of reports in the coming year. By June 15, 2004, CHE is to recommend funding allocation design, performance assessment criteria and targets, and an audit verification process for performance awards to public, post-secondary institutions exhibiting improvements in student persistence and graduation rates. The FY05 instructional and general appropriation limits growth of the general fund cost of the Texas 135-mile tuition waiver program at NMSU and Eastern and Western New Mexico universities and directs CHE to recommend adjustments to the higher education funding formula to provide relief for affected regional institutions. Still, funding for this program increases approximately \$1 million to \$9.6 million. Finally, working with institutions, CHE is to report on recruitment, enrollment, retention, and graduation rates for Native American and Hispanic students. Related performance targets and action plans for each public, post-secondary institution are required by September 1, 2004.

## SUPPLEMENTALS AND DEFICIENCIES

The following data summarizes Sections 5 and 6 of the General Appropriation Act. Additional detail is shown in Table 14.

SECTION	GENERAL FUND	OTHER STATE FUNDS	ISF/IAT	FEDERAL FUNDS	TOTAL
Section 5, Special Appropriations	95,112.6	7,750.0	565.0	700.0	104,127.6
Section 6, Supplemental and Deficiency Appropriations	5,154.5	1,900.0	-	8,219.1	15,273.6
<b>Total</b>	<b>100,267.1</b>	<b>9,650.0</b>	<b>565.0</b>	<b>8,919.1</b>	<b>119,401.2</b>

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Of special appropriations from the general fund, \$4.9 million is appropriated to the Department of Finance and Administration for direct services to increase the number of clients served by the developmental disabilities Medicaid waiver program at the Human Services Department, \$20 million is allocated to the State Engineer for the purchase of land and water rights in the Pecos River Basin, and \$13.9 million is appropriated to the computer systems enhancement fund for major information technology projects outlined in Section 8 of the act. Vetoes of information technology projects will leave an unencumbered \$4.9 million balance in the fund.

Of supplemental and deficiency appropriations from the general fund, approximately \$1.5 million is to the Public Education Department for a budget shortfall and the student testing required by the federal No Child Left Behind Act, \$950 thousand to the Human Services Department for payment to the General Services Department for information system charges, and \$800 thousand is for the Children, Youth and Families Department to restore the level of funding for adult home care and adult day care to prior year levels.

**Information Technology Special Appropriations.** Information system development projects from the computer systems enhancement fund of \$9.1 million from the general fund, \$1.9 million from other state funds and \$3.4 million from federal funds were signed by the governor. Of the computer systems enhancement fund total, \$6.5 million represents a theme to support a consolidated, enterprise information technology infrastructure, including a statewide email system, a multi-agency network, document management and enterprise information security. Table 15 itemizes these appropriations.

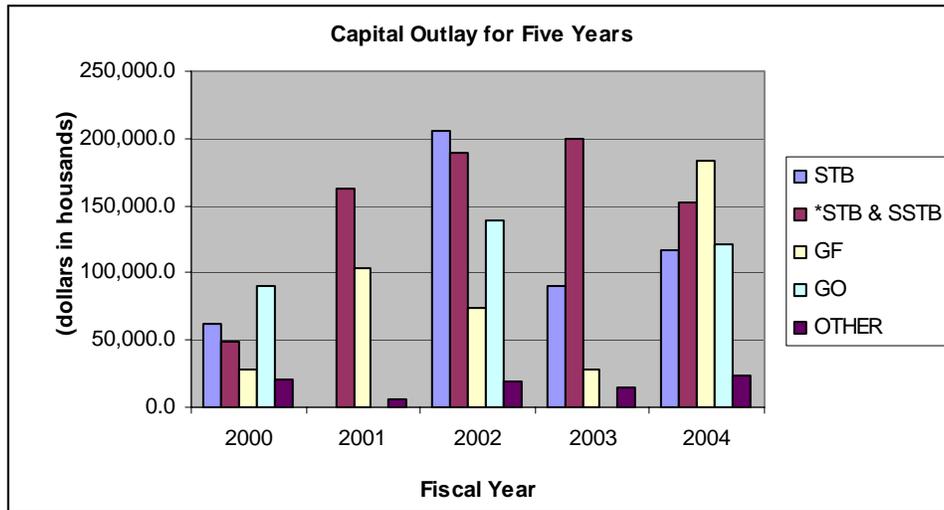
The governor vetoed a total of \$4.7 million of appropriations from the computer systems enhancement fund, including \$1 million for the Taxation and Revenue Department integrated tax system for fuel taxes. However, \$1 million from the state road fund is appropriated for this purpose in House Bill 293, Chapter 126. Other vetoes include \$200 thousand for a justice information system web portal, \$500 thousand for Regulation and Licensing Department licensing and credentialing software, \$500 thousand for Public Regulation Department corporation registration software, \$2 million for the Gaming Control Board central gaming monitoring system and \$500 thousand for the design of a system to replace the mainframe-based income support determination system. Lack of complete funding for a new central gaming monitoring system may impact gaming venues, such as racetracks' ability to implement new gaming devices, which ultimately impacts gaming revenues paid to the state. However, separate legislation appropriated \$500 thousand for the Gaming Control Board central gaming monitoring system.

## IV. CAPITAL OUTLAY

Strong economic factors such as high crude oil and natural gas prices along with rules changing the timing for recognizing revenues (GASB 34) contributed to significantly more funding from severance tax bond capacity, general obligation bond capacity, and the general fund for statewide projects. The Legislature adopted and the governor signed two major capital outlay bills appropriating more than \$490 million for infrastructure projects statewide.

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House Bill 293 (Chapter 126) authorizes nearly \$350 million for 2,953 projects that will have a significant impact on the state's economy and the public health and safety. The funding sources include \$117.2 million from severance tax bond proceeds (STB); \$164.5 million from the general fund (GF); \$18.9 million from the general fund operating reserve (GFOR); \$20 million from short-term severance tax bond proceeds (SSTB); \$22 million from the public school capital outlay fund (PSCOF); and \$2.4 million from the irrigation works construction, state road, and state land maintenance funds.



Funding for capital projects was divided among the House, Senate and governor. However, the governor exceeded severance tax bond capacity by \$13.8 million, expended more than twice as much general fund as legislators, and expended an additional \$18.9 million from GFOR. One of the projects funded from GFOR totals nearly \$8 million for a management procurement savings program contract with the General Services Department. Any expenditure of the appropriation is contingent on realization of a minimum savings guarantee under the contract in an amount equal to at least twice the amount of the proposed expenditure. The realized savings are to be captured by the Department of Finance and Administration for credit to the general fund. The second project totaling \$10 million appropriated to the Commission of Higher Education is to plan, design, construct, and equip career technical-vocational education centers to prepare eligible charter and other high school juniors and seniors for completion of high school, as well as the transition into either college career programs or technical careers.

House Bill 293 (Chapter 126) contains several new initiatives proposed and funded by the governor. The new initiatives include the following projects: clean energy technologies, \$2.7 million (language specifying the funds for state and public school facilities was vetoed); water technical assistance planning grants, \$500 thousand; design and construction and furnishing of a film education training center and studio, \$10 million (Santa Fe location vetoed); water innovation matching funds for water resources infrastructure programs that have applicability across the state or regionally, \$10 million; acquisition and infrastructure for Bernalillo to Belen commuter rail project, \$3 million; acquisition and infrastructure for Santa Fe to Albuquerque

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commuter rail system, \$4.6 million; infrastructure for a southwest regional spaceport (contingent on New Mexico being selected as the site for the X-prize cup space show), \$4million; and construction of charter vocational centers, \$4.5 million.

The governor line-item vetoed 368 projects from the bill totaling \$14.2 million for projects ranging from \$250 thousand to \$472 thousand. The vetoed items include 196 projects totaling \$5.7 million from the general fund and \$8.5 million from STB capacity. According to Executive Message No.188, the governor emphasized three specific reforms in his consideration of the bill: a minimum capital project size, project readiness, and the project planning and selection process. In explaining the vetoes, the governor stated, “As a clear signal that I intend to pursue reform and strongly encourage the Legislature to follow reform principles, I have line-item vetoed projects that failed to meet basic reform standards. The standards included severance tax financed projects smaller than \$25,000; projects that entail local community responsibilities; projects that are inconsistent with agreed upon state priorities; or small appropriations whose benefits are outweighed by the administrative costs of the project.”

The governor indicated in his message that more reforms will follow next year that will include additional improvement in project prioritization, project management, and public-private partnerships to deliver more and better projects at a lower cost.

House Bill 294 (Chapter 117) authorizes the sale of general obligation bonds totaling approximately \$121.7 million, including the cost of bond issuance, for 180 projects. Issuance of general obligation bonds requires approval by the electorate in the November 2004 general election. Significant items include the following: \$6 million for senior citizen center infrastructure and equipment statewide; \$5 million for full-day kindergarten classrooms; \$16.2 million for libraries statewide (public libraries, public school libraries, and academic libraries); and \$94.5 million for higher education and special school infrastructure and renovations. According to Senate Executive Message No. 187, the governor vetoed the word “portable” out of the language on portable classrooms to accommodate circumstances in which more than a portable is needed.

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The following charts reflect the distribution of all funding sources for project types funded by the House, Senate and the executive:

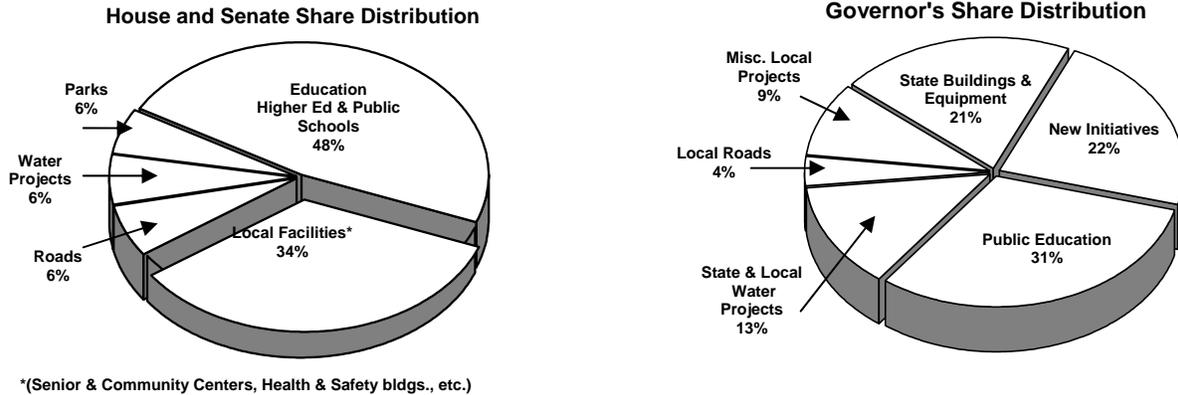


Table 16 details major capital outlay projects.

**Other Significant Capital Outlay Issues.** The following is a summary of other significant capital outlay issues passed during the 2004 legislative session:

House Bill 25 (Chapter 104) enacts the Affordable Housing Act to implement funding for affordable housing permitted pursuant to Article 9, Section 14, subsections E and F of the Constitution of New Mexico ratified by the voters in November 2002. Implementation allows the state, counties, and municipalities to donate land owned by the state, county, or municipality for the construction of affordable housing. The provisions further allow the state, counties, and municipalities to donate existing buildings for conversion or renovation into affordable housing and allow the governmental entities to provide or pay the cost of infrastructure necessary to support affordable housing projects. Enactment of this bill also cleared the way for a 2003 appropriation to be released for weatherization services of privately-owned homes.

House Bill 100 (Chapter 91) appropriates \$1.6 million from the public project revolving fund to the drinking water state revolving loan fund. The appropriation provides for a 20 percent state match for a federal capitalization grant totaling \$8 million for the loan fund. The purpose of the fund is to provide public authorities in New Mexico with low-cost financial assistance, with a base rate of 3 percent, for construction, rehabilitation, or expansion of drinking water facilities. Disadvantaged communities qualify for interest-free loans.

House Bill 124 (Chapter 61) authorizes the New Mexico Finance Authority (NMFA) to provide loans to 133 qualified entities from the public project revolving fund for infrastructure projects. The value of all the projects contained in the bill totals approximately \$300 million. Loans from the revolving fund benefit eligible entities by allowing them to borrow for infrastructure projects at below market costs, based on terms and conditions established by NMFA.

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House Bill 142 (Chapter 6) establishes an agricultural building repair and maintenance fund at New Mexico State University for certain off-campus facilities. The fund will be used for repairs and maintenance at the agricultural experiment stations, agriculture science centers, and other off-campus agriculture-related facilities of the University or the New Mexico Department of Agriculture. The money can only be used for expenditures not otherwise covered by the university building repair and maintenance funds..

House Bill 200 (Chapter 83) authorizes NMFA to make grants from the water and wastewater project grant fund to 131 qualified entities for 194 projects. Criteria and rules established by the NMFA governing board and approved by the NMFA Legislative Oversight Committee must be met to qualify for assistance from water project grant fund. Current rules provide that grants be limited to \$150 thousand for equipment and \$400 thousand for capital projects, unless otherwise authorized by law. Funds for the program are derived from the net proceeds of the sale of bonds authorized by law and payable from governmental gross receipts tax. The grant fund is also used to combine NMFA's low-cost, low-interest-rate loan financing with grants for water and wastewater projects. A local match is determined by a sliding scale based on the applicant's financial ability to repay a portion of the project from local resources.

House Bill 545 (Chapter 63) provides that the proceeds from the sale of the Labor Department office located at 301 West DeVargas in Santa Fe be appropriated to the Property Control Division of the General Services Department for the purpose of acquiring new land or a building and to plan, design, construct, or renovate a building for a Labor Department workforce development center in Santa Fe. The building was originally purchased with U. S. Department of Labor funds, therefore the state department is required to meet the federal rules before final sale is completed.

Senate Bill 87 (Chapter 85) creates the acequia project fund with the state treasury for the purpose of making grants to acequias for any project approved by the Legislature. The fund will be administered by NMFA, with interest from investment of the money being credited to the fund. NMFA will establish procedures and adopt rules as required to administer the fund and to recover costs of administering the fund.

Senate Bill 201 (Chapter 102) revokes NMFA's legislative authorization to make loans to 25 governmental entities from the Public Project Revolving Fund because the entities do not require financial assistance at this time. However, nothing prohibits the entity from seeking legislative authority to borrow from the revolving fund at a later time.

Senate Bill 332 (Chapter 123) restores the State Building Bonding Act to exclusive use for acquiring state-owned buildings and thereby reducing recurring costs to lease office space. Authorization to sell bonds for renovations and maintenance of museums and monuments and for developing exhibits is removed. However, bonds already sold for museum projects are held harmless. This bill broadens the 2001 authorization to purchase land in close proximity to the public safety campus but requires utilities and infrastructure to be in place. A \$250 thousand

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appropriation from bond proceeds is made to the Legislative Council Service for the Capitol Buildings Planning Commission to support master planning and annual updates of existing plans.

**Public School Capital Outlay.** Senate Bill 399 (Chapter 125) authorizes \$57 million derived from short-term supplemental severance tax bond proceeds to be used for deficiency correction projects and continuation projects partially funded by the Public School Capital Outlay Council (PSCOC), extends through 2007 the period of time in which the Public School Facilities Authority (PSFA) may expend the appropriations made from the general fund for deficiency projects, authorizes balances in the public school capital outlay fund to be annually appropriated to pay for the core administrative functions of PSFA, and further authorizes balances to be expended by PSFA, with the approval of PSCOC, for project management expenses. The expenses may not exceed 5 percent of the average annual grant assistance authorized from the fund during the three previous fiscal years.

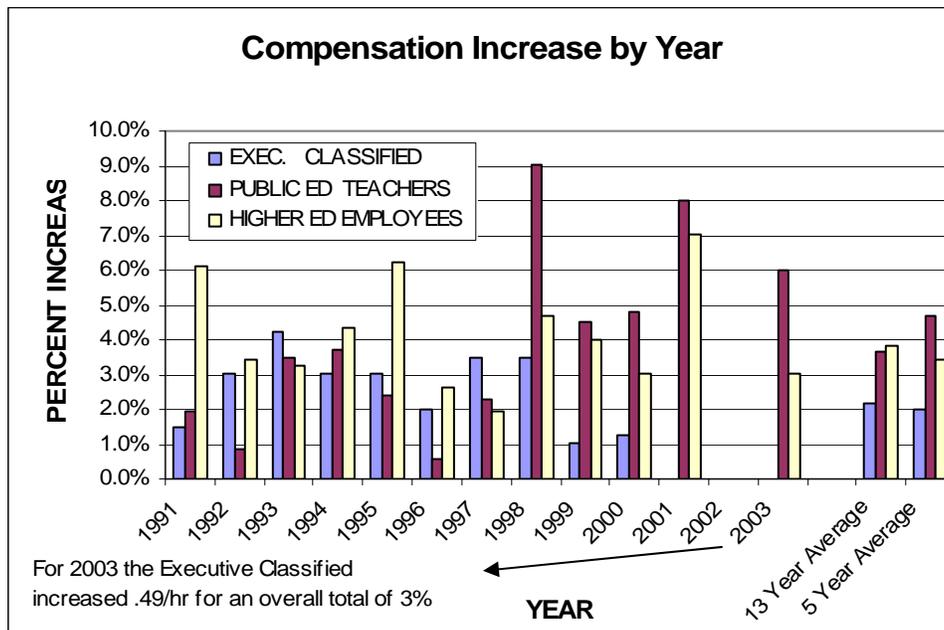
Among other substantive changes to the Public School Capital Outlay Act:

- Beginning September 2, 2004, grant awards will be based on the adequacy standards adopted by PSCOC on September 1, 2003.
- PSCOC is authorized to make grants outside the normal process when emergencies occur that threaten the health and safety of students and school personnel.
- Beginning July 1, 2004, and for the following three years, funding shall first fund those projects partially funded by PSCOC in September 2003.
- A school district may appeal if the district determines there is a problem or discrepancy in the new standards-based process, a change aimed at preventing future lawsuits. An appropriation of up to \$4 million annually is authorized from the public school capital outlay fund to PSCOC in fiscal years 2005 through 2009 to support leasing classroom space for schools, including charter schools.
- Grants to charter schools may also be used as a state match to obtain federal grants pursuant to the federal No Child Left Behind Act of 2001.
- PSCOC is allowed to bring legal action against a school district determined to be either unwilling or unable to bring its facilities up to a minimum standard required by the state constitution within a reasonable time frame.
- “SB9” funds may be used for technical training and certification for maintenance and facilities management personnel.
- State guarantee amounts for SB9 increase from \$50 per unit per mill to \$60 per unit per mill beginning in fiscal year 2005.
- PSFA is authorized to purchase and own portables in order to loan the portable to districts to meet temporary requirements.
- The Public School Capital Outlay Task Force is recreated for an additional year to continue oversight of the implementation of the new standards-based process and to evaluate the adequacy of funding sources for public school capital outlay.
- A three-year carry-forward period will be applied to the direct legislative appropriation offset that applies to education technology funding.

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## V. COMPENSATION

The General Appropriation Act appropriates \$59.6 million from the general fund to provide salary increases for legislative, judicial, district attorney, classified, exempt, and higher education employees. Sufficient funds are provided for a 6 percent increase for judges and a 2 percent increase for all other employees, subject to satisfactory job performance. Pay increases for public education employees are contained in appropriations to the Department of Public Education. Five percent pay increases for state police were contained in appropriations to the Department of Public Safety; however, the governor vetoed language providing pay increases for Special Investigation Division officers and Motor Transportation Division officers. Pay increases are effective the first full pay period after July 1, 2004. Table 17 details the compensation appropriations by employee category. The following chart tracks the compensation history since 1991.



## VI. FIVE-YEAR FORECAST

LFC regularly issues five-year general fund revenue and expenditure baseline forecasts. Revenue estimates are developed jointly with the executive branch. LFC staff estimates the expenditure baseline using a methodology similar to that employed by the Congressional Budget Office (CBO)<sup>1</sup>. CBO cautions, “The baseline is not intended to be a prediction of future budgetary outcome; instead, it is meant to serve as a neutral benchmark that lawmakers can use

<sup>1</sup> CBO’s projections, which are 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.

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to measure the effects of proposed changes to taxes and spending.”<sup>2</sup> In addition, LFC emphasizes that the state’s balanced budget requirement makes the baseline forecast an important medium-term budget planning tool. The assumptions that underlay the revenue and expenditure forecasts are the same assumptions adopted by state economists for the consensus revenue estimating process. Key indicators include employment growth, income growth, population growth and the inflation rate. These assumptions are detailed in Table 3.

**Revenues.** Table 2 shows the consensus revenue estimate revised for legislation passed in the 2004 legislative session. Revenue growth throughout the forecast period is nearly flat. Weak revenue growth can be attributed to three major factors. First, revenue estimators assume that crude oil and natural gas prices will decline from current levels in future years, thereby reducing severance tax and rents and royalty revenues. This assumption reduces these revenues from the FY05 estimate by \$76 million in FY06, \$87 million in FY07 and \$92 million in FY08. Second, the provision allocating tobacco settlement revenues to the general fund sunsets in FY07, decreasing revenues by about \$35 million per year in FY07 and FY08. Third, the personal income tax (PIT) reductions enacted in the 2003 legislative session will continue to limit growth from this source. Taxation and Revenue Department estimates suggest the tax cut will reduce underlying PIT baseline growth by \$66 million in FY05, \$158 million in FY06, \$266 million in FY07, and \$351 million in FY08. Federal income tax changes also reduce state PIT revenues, but the effects are relatively small – \$5 million to \$11 million in any given year. The following table reflects these changes.

<i>Revenue Forecast</i>	Actual	Forecast				
	FY03	FY04	FY05	FY06	FY07	FY08
General Sales Taxes	1,374.9	1,441.0	1,513.9	1,580.3	1,650.5	1,723.9
Selective Sales Taxes	283.9	360.4	415.6	429.7	444.2	459.3
Income Taxes	1,040.2	1,097.4	1,148.3	1,143.8	1,142.0	1,139.7
Mineral Production Taxes	268.4	310.6	288.1	248.4	242.0	239.8
License Fees	31.1	33.6	34.6	35.6	36.2	36.9
Investment Income	478.6	491.6	546.6	544.4	547.1	562.0
Rents and Royalties	283.6	345.5	304.9	268.7	264.5	261.0
Miscellaneous Receipts	30.0	26.3	26.1	26.8	27.4	28.1
Tribal Revenue Sharing	32.6	34.7	36.4	42.2	44.3	46.5
Tobacco Settlement Revenue	43.8	35.7	35.2	34.7	-	-
Reversions	23.3	28.0	29.7	31.5	33.7	35.6
Total Recurring Revenue	3,891.1	4,204.8	4,379.5	4,386.1	4,431.9	4,532.8
Non Recurring Revenue	57.8	68.8	(1.1)	-	-	-
Grand Total Revenues	3,948.9	4,273.6	4,378.4	4,386.1	4,431.9	4,532.8
Recurring revenue growth		313.7	174.8	6.6	45.8	100.9
Recurring growth rate		8.1%	4.2%	0.1%	1.0%	2.3%

**Expenditures.** The FY05 spending level reflects the 2004 General Appropriation Act and feed bill (Chapter 1). The spending baseline for FY06 to FY08 reflects the inflation and population growth assumptions discussed above. Overall, spending grows by a modest 3.9 percent rate in

<sup>2</sup> The Budget and Economic Outlook: An update, CBO, August 2003.

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the forecast period, a figure roughly in tune with the rate of inflation plus state population growth.

The baseline expenditure forecast reflects spending for most of the state's general-fund-financed programs increasing at the rate of inflation, i.e. remaining flat in real (inflation-adjusted) terms. Exceptions are spending for Medicaid, public schools, and corrections. Medicaid annual spending growth of 8.5 percent is based on the August 2003 CBO national forecast that predicts the program will grow by 8 percent to 9 percent per year. The public school expenditure increase in FY06 reflects costs of enrollment growth and inflation plus \$32.6 million for educational reform. (The \$32.6 million for school reform includes \$26.3 million for the three-tiered salary ladder, \$4 million for arts education, and \$2.3 million for principal salary increases). In FY07 and FY08, public school expenditures growth is consistent with enrollment and inflation and reflects an additional \$6.5 million and \$12.7 million for reform during the two fiscal years, respectively. Corrections spending is shown increasing with inflation and overall population growth. To the degree that the prison population may grow faster than the general population, this is a conservative estimate. (Medicaid and corrections spending are highlighted as key drivers within their respective spending categories.) The baseline expenditure forecast is reported in the following table.

<i>Expenditures:</i>	Prelim	Op. Bud.	GAA	Baseline		
	FY03	FY04	FY05	FY06	FY07	FY08
Legislative	14.3	14.9	15.2	15.5	15.9	16.2
Judicial	129.8	138.5	143.8	146.7	149.9	153.3
General Control *	136.4	136.1	165.9	169.2	172.9	176.9
Commerce and Industry	45.6	47.9	47.9	48.9	50.0	51.1
Ag, Energy & Nat. Resources	59.1	59.0	61.0	62.2	63.6	65.1
Medicaid	380.8	407.8	474.8	515.2	558.9	606.5
Other Health and Human Services	449.2	506.3	524.5	535.0	546.7	559.3
Corrections	194.1	202.5	205.0	212.0	219.6	227.7
Other Public Safety	76.1	78.3	79.7	81.3	83.1	85.0
Higher Education	601.7	641.6	670.6	684.0	699.1	715.1
Public Education	1,808.6	1,883.7	1,992.2	2,057.9	2,163.7	2,248.3
<i>Additional education reforms</i>			-	32.6	6.5	12.7
<b>Total</b>	<b>3,895.8</b>	<b>4,116.5</b>	<b>4,380.6</b>	<b>4,560.4</b>	<b>4,729.8</b>	<b>4,917.2</b>
Spending Increase		220.7	264.1	179.8	169.4	187.4
Spending Growth Rate		5.7%	6.4%	4.1%	3.7%	4.0%
Notes						
1) Medicaid spending grows at 8.5 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. FY06 includes another \$13 million for reform measures.						
4) All other agencies grow at the expected rate of inflation.						
5) Public school reform figures provided by the Office of Educational Accountability's January 20, 2004 memo.						
* In FY05 General Control includes \$8.4 million in "other appropriations and \$15.2 million in state agency compensati						

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**Budget Balance.** The table below compares baseline recurring revenue and recurring expenditure forecasts. This comparison suggests that projected recurring revenue growth is much too weak to support recurring baseline expenditures. It is important not to read this as forecasting a budget deficit. State law simply does not allow for this. Nonetheless, it does suggest the state is facing a structural deficit that will require corrective action in the not-too-distant future. Corrective action can include any combination of measures to increase revenues or decrease expenditures.

	Preliminary	Forecast				
	FY03	FY04	FY05	FY06	FY07	FY08
Total Recurring Revenue	3,891.1	4,204.8	4,379.5	4,386.1	4,431.9	4,532.9
Total Recurring Expenditures	3,895.8	4,116.5	4,380.6	4,560.4	4,729.8	4,917.2
<b>Baseline Balance</b>	<b>-4.7</b>	<b>88.3</b>	<b>-1.0</b>	<b>-174.3</b>	<b>-297.9</b>	<b>-384.3</b>

**Reserve Balances.** The following table presents the implications of the scenario on state reserve balances. Reserve balances include \$285 million due to an adjustment to the state's revenue recognition policy (GASB 34). As noted above, baseline spending growth is considerably stronger than baseline revenue growth. Largely because of the accounting policy change, this imbalance can be partially financed by reserves through FY06. However, by FY07 reserve levels are projected to be negative. Again, the state constitution prohibits an actual reserve deficit because it requires a balanced budget.

	FY03	FY04*	FY05	FY06	FY07	FY08
Beginning Reserve Balances		245.33	398.88	385.45	211.18	-86.71
Transfers		170.40	-5.80	-174.28	-297.88	-384.27
Ending Baseline Reserve Balances	245.33	398.88	385.45	211.18	-86.71	-470.97
<i>Percent of Recurring Appropriations</i>	6.3%	9.7%	8.8%	4.6%	-1.8%	-9.6%

\* Note: FY04 includes \$285 million in additional revenues associated with the implementation of GASB 34.

**Conclusion.** Based on current economic assumptions and revenue projections, the state is facing a structural budget deficit that will influence spending in FY06 and present an increasingly restrictive constraint in later years. The current economic outlook for the state is based on a national forecast that shows real gross domestic product growth averaging 3.5 percent over the next four years. State economic and revenue growth projections for broad-based taxes are consistent with the national forecast. The current consensus outlook for crude oil and natural gas prices is admittedly cautious. Stronger energy price assumptions and a more robust economic outlook would certainly improve the fiscal picture presented here. However, the size of the estimated structural deficit is such that neither stronger energy prices nor economic growth are likely to be sufficient to avoid difficult policy choices. Steps to curb spending growth to rates considerably below the baseline or to increase revenue growth will almost undoubtedly have to be adopted.

**GENERAL FUND FINANCIAL SUMMARY <sup>(1)</sup>**  
*(Dollars in Millions)*

	Actual	Estimated	Estimated
	FY2003	FY2004	FY2005
<b>APPROPRIATION ACCOUNT</b>			
<b>REVENUES:</b>			
Consensus Recurring Revenue <sup>(2)</sup>	3,891.1	4,204.9	4,319.8
2004 Legislation		(0.1)	59.7
Total recurring		4,204.8	4,379.5
Non recurring revenue <sup>(2)</sup>	57.8	58.4	6.0
GASB accounting change		284.7	0.0
2004 Legislation		0.0	(7.1)
Reversion for executive vetoes <sup>(2)</sup>		10.4	0.0
Non-recurring		353.5	(1.1)
<b>TOTAL REVENUE</b>	<b>3,948.9</b>	<b>4,558.3</b>	<b>4,378.4</b>
<b>APPROPRIATIONS</b>			
GAA recurring appropriations	3,895.8	4,108.1	4,371.7
Other Recurring Appropriations		19.2	8.5
Subtotal recurring	3,895.8	4,127.3	4,380.2
Prior year appropriations (2001 - 2003)		4.3	0.0
Other Non-recurring Appropriations <sup>(3)</sup>		251.7	3.7
Subtotal nonrecurring	155.6	256.0	3.7
<b>TOTAL APPROPRIATIONS</b>	<b>4,051.4</b>	<b>4,383.3</b>	<b>4,383.9</b>
Transfer to (from) operating reserve	(102.5)	55.0	(5.4)
Transfer to Appropriation Contingency Fund <sup>(4)</sup>	0.0	120.0	0.0

**GENERAL FUND RESERVES (See Detail Below) <sup>(5)</sup>:**

Beginning Balances	380.0	245.3	398.9
Transfer from Appropriations Account	(102.5)	55.0	(5.4)
Other Transfers	(32.2)	98.6	(8.0)
Ending Balances	245.3	398.9	385.5
<i>Percent of Recurring Appropriations</i>	6.3%	9.7%	8.8%

Notes:

- (1) Totals may not add due to independent rounding.
- (2) Includes reversion for temporary increase in Medicaid rate (FMAP) of \$6 million in FY05. FY04 includes \$10.7 million for executive vetoes in capital outlay bill for \$5.7 million (Laws 2004, Chapter 126) and section 8 of the GAA for \$4.7 million (Laws 2004, Chapter 114). See revenue detail for notes on FY03 & FY04 nonrecurring revenue.
- (3) FY03 includes \$3.6 million for the purchase of Eagle Nest lake (Laws of 2002, Chapter 2) and \$152 million in appropriations from the 2002 Legislative session. FY04 includes \$2 million for faculty endowments, \$2.3 million in non-recurring appropriations from the 2003 GAA and \$246 million in appropriations from the 2004 Legislative session.
- (4) \$120 million is transferred to the Appropriation Contingency Fund in FY04 for the implementation and maintenance of education reform (Laws 2004, Chapter 114, Section 12).
- (5) See footnotes in Table 2 for general fund reserve detail.

**GENERAL FUND RESERVE DETAIL<sup>(1)</sup>**  
(Dollars in Millions)

	Actual	Estimated	Estimated
	FY2003	FY2004	FY2005
<b>OPERATING RESERVE</b>			
Beginning balance	154.8	47.1	79.7
Appropriations <sup>(2)</sup>	(5.2)	(22.4)	(1.0)
Transfers from state support reserve account	0.0	0.0	0.0
Transfers from/to appropriation account	(102.5)	55.0	(5.4)
Ending balance	47.1	79.7	73.2
<b>APPROPRIATION CONTINGENCY FUND</b>			
Beginning balance	77.9	58.5	170.4
Disaster allotments & other expenditures <sup>(3)</sup>	(27.6)	(12.0)	(11.2)
Revenue and reversions <sup>(4)</sup>	8.2	3.9	0.0
Transfers in	0.0	120.0	0.0
Transfers out	0.0	0.0	0.0
Ending balance	58.5	170.4	159.2
<b>TOBACCO PERMANENT FUND<sup>(5)</sup></b>			
Beginning balance	59.6	62.0	71.1
Transfers in	42.9	37.2	37.2
Transfers out	(42.9)	(37.2)	(37.2)
Gains/Losses <sup>(6)</sup>	2.4	9.1	4.2
Ending balance	62.0	71.1	75.3
<b>TAX STABILIZATION RESERVE</b>			
Beginning balance	87.7	77.7	77.7
Transfers in	0.0	0.0	0.0
Transfers out <sup>(7)</sup>	(10.0)	0.0	0.0
Ending balance	77.7	77.7	77.7
<b>GENERAL FUND ENDING BALANCES</b>	<b>245.3</b>	<b>398.9</b>	<b>385.5</b>
<i>Percent of Recurring Appropriations</i>	<i>6.3%</i>	<i>9.7%</i>	<i>8.8%</i>

Notes:

- (1) Totals may not add due to independent rounding.
- (2) FY03 consists of \$4.0 million appropriation for corrections, \$664 thousand for CSEF, \$250 thousand for DOH, and \$283 thousand in other BOF emergencies. FY04 includes \$18.911 million for capital outlay (Laws 2004, Chapter 126), \$0.5 million for BOF emergencies, \$3 million in AG litigation expenses extended through FY04 (Laws 2002, chapter 4, section 5 and Laws 2003 Chapter 76). Not included in FY04 is contingent appropriation of \$5 million for X-Prize Project (Laws 2004, Chapter 114). FY05 includes \$1 million for BOF emergencies (Laws 2004, Chapter 76, Section 4), but does not include \$1.5 million contingent appropriation for corrections.
- (3) FY03 includes disaster allotments of \$8.1 million and \$19.5 million for Medicaid but does not include \$100 thousand for the Racing Commission. FY04 includes \$10 million for disaster allotments and contingent appropriations of \$1.5 million for child support enforcement and \$526 thousand for the Commission for the Deaf and Hard-of -Hearing. FY05 includes an estimate for disaster allotments and reimbursements, \$548 thousand for Secretary of State and \$630 thousand for DPS.
- (4) FY03 and FY04 includes federal reimbursements for the 2002 and 2003 fire seasons.
- (5) Tobacco Settlement Permanent Fund was established pursuant Laws 2003, Chapter 312.
- (6) FY04 includes February 29th value of the fund reflecting \$9.1 million in earnings. FY05 includes \$4.2 million in investment earnings reflecting a 6 percent investment return.
- (7) FY03 includes \$10 million for water project pursuant to Laws 2002, Chapter 109.



**GENERAL FUND CONSENSUS  
REVENUE ESTIMATES**

*(In Millions) 1*

**TABLE 2**

	FY03 Preliminary	FY04				FY05			
	Aug. 03	Jan. 04	Adjust for Legislation	Change	% Change From FY03	Jan. 04	Adjust for Legislation	Change	% Change From FY04
<b>Gross Receipts</b>	1,336.5	1,405.0	1,405.0	(0.0)	5.1%	1,470.0	1,476.9	6.9	5.1%
<b>Compensating</b>	38.4	36.0	36.0	0.0	-6.2%	37.0	37.0	0.0	2.8%
<b>TOTAL GENERAL SALES</b>	1,374.9	1,441.0	1,441.0	(0.0)	4.8%	1,507.0	1,513.9	6.9	5.1%
<b>Tobacco (luxury)</b>	18.3	48.6	48.6	0.0	165.3%	51.1	51.1	0.0	5.1%
<b>Alcohol</b>	25.4	25.4	25.4	0.0	0.1%	25.8	25.8	0.0	1.6%
<b>Insurance</b>	53.8	86.0	86.0	0.0	60.0%	86.0	104.5	18.5	21.5%
<b>Daily Bed Surcharge</b>							22.5	22.5	0.0%
<b>Fire Protection</b>	20.8	23.5	23.5	0.0	13.2%	23.5	23.5	0.0	0.0%
<b>Public Utilities</b>	7.3	8.7	8.7	0.0	18.4%	8.8	8.8	0.0	1.1%
<b>Motor Vehicle Excise</b>	111.1	118.0	118.0	0.0	6.2%	122.0	121.7	(0.3)	3.1%
<b>Gaming</b>	39.0	42.0	42.0	0.0	7.7%	49.0	49.0	0.0	16.7%
<b>Leased Vehicle Surcharge</b>	6.1	6.3	6.3	0.0	3.8%	6.4	6.4	0.0	1.6%
<b>Other</b>	2.1	1.9	1.9	0.0	-9.5%	1.9	2.4	0.5	26.8%
<b>TOTAL SELECTIVE SALES</b>	283.9	360.4	360.4	0.0	27.0%	374.5	415.6	41.1	15.3%
<b>NET PIT</b>	923.1	986.5	986.4	(0.1)	6.9%	1,010.0	1,022.5	12.5	3.7%
<b>NET CIT</b>	101.7	103.0	103.0	0.0	1.2%	123.0	123.0	0.0	19.4%
<b>Estate</b>	15.3	8.0	8.0	0.0	-47.9%	2.8	2.8	0.0	-65.0%
<b>Subtotal Income Taxes</b>	1,040.2	1,097.5	1,097.4	(0.1)	5.5%	1,135.8	1,148.3	12.5	4.6%
<b>Oil and Gas School Tax</b>	229.6	276.1	276.1	0.0	20.2%	249.0	249.0	0.0	-9.8%
<b>Oil Conservation Tax</b>	11.9	14.3	14.3	0.0	19.8%	12.7	12.7	0.0	-11.2%
<b>Resources Excise</b>	5.8	5.5	5.5	0.0	-4.5%	5.5	5.5	0.0	0.0%
<b>Natural Gas Processors</b>	21.1	14.7	14.7	0.0	-30.3%	20.9	20.9	0.0	42.2%
<b>TOTAL SEVERANCE TAXES</b>	268.4	310.6	310.6	0.0	15.7%	288.1	288.1	0.0	-7.2%
<b>TOTAL LICENSE FEES</b>	31.1	33.6	33.6	0.0	7.9%	34.6	34.6	0.0	3.0%
<b>LGPF</b>	275.7	291.7	291.7	0.0	5.8%	349.0	349.0	0.0	19.6%
<b>STO Interest</b>	32.0	27.1	27.1	0.0	-15.3%	25.0	25.0	0.0	-7.7%
<b>STPF</b>	171.0	172.8	172.8	0.0	1.1%	172.6	172.6	0.0	-0.1%
<b>TOTAL INTEREST</b>	478.6	491.6	491.6	0.0	2.7%	546.6	546.6	0.0	11.2%
<b>Federal Mineral Leasing</b>	268.4	321.6	321.6	0.0	19.8%	284.3	284.3	0.0	-11.6%
<b>State Land Office</b>	15.2	23.9	23.9	0.0	56.9%	20.6	20.6	0.0	-13.8%
<b>TOTAL RENTS &amp; ROYALTIES</b>	283.6	345.5	345.5	0.0	21.8%	304.9	304.9	0.0	-11.8%
<b>Tribal Gaming</b>	32.6	34.7	34.7	0.0	6.4%	36.4	36.4	0.0	4.9%
<b>Tobacco Settlement Revenue</b>	43.8	35.7	35.7	0.0	-18.5%	35.2	35.2	0.0	-1.4%
<b>Total Misc. Receipts</b>	30.0	26.3	26.3	0.0	-12.3%	27.0	26.1	(0.9)	-0.7%
<b>Reversions</b>	23.3	28.0	28.0	0.0	20.1%	29.7	29.7	0.0	6.1%
<b>TOTAL RECURRING</b>	3,891.1	4,204.9	4,204.8	(0.1)	8.1%	4,319.8	4,379.5	59.7	4.2%
<b>Non-Recurring Other</b>	44.6	33.0	43.4	10.4	-26.0%	6.0	(1.1)	(7.1)	-102.5%
<b>Enhanced Audit (non-recurring)</b>	13.2	25.4	25.4	0.0	92.4%	0.0	0.0	0.0	-100.0%
<b>TOTAL NON-RECURRING <sup>(2) (3)</sup></b>	57.8	58.4	68.8	10.4	1.0%	6.0	(1.1)	(7.1)	-101.6%
<b>Grand Total</b>	3,948.9	4,263.3	4,273.6	10.3	8.0%	4,325.8	4,378.4	52.6	2.5%

(1) Totals may not add due to independent rounding.

(2) The following are listed as FY03 non-recurring revenues: \$4.9 million for SLO legal settlement, \$6.5 million and \$7.4 million medicaid reversions, \$4.91 million in State Office Building reversion, \$6.5 million Tobacco Program Revenue, \$5 million for Taos Pueblo Gaming Payment, \$13.2 million in REAP revenues and \$13.1 million in one-time estate payments.

(3) FY04 non-recurring revenues include \$25.4 million in enhanced compliance, \$24.2 million in Medicaid reversions, \$4.9 million in Phillips clawback, \$3.9 million for Wall St. fraud payment, \$5.7 million for capital outlay veto and \$4.7 million for Computer Systems Enhancement Fund veto.

TABLE 3

**U.S. AND NEW MEXICO ECONOMIC INDICATORS**  
By fiscal year ending June 30,

	<u>FY 2003</u>	<u>FY2004</u>			<u>FY2005</u>	
	<u>Prelim.</u>	<u>Feb. 2003 Estimate</u>	<u>Dec. 2003 Estimate</u>	<u>Jan. 2004 Estimate</u>	<u>Dec. 2003 Estimate</u>	<u>Jan. 2004 Estimate</u>
<b><i>NATIONAL ECONOMIC INDICATORS</i></b>						
US Real GDP Growth (% , SAAR)	2.5	5.1	4.7	4.7	3.8	3.8
US Inflation Rate (CPI, % , SAAR)**	2.2	2.3	1.4	1.4	1.9	1.9
Overnight Yield (%)*	1.4	2.5	1.0	1.0	1.4	1.4
<b><i>LABOR MARKET AND INCOME DATA</i></b>						
<b><i>New Mexico</i></b>						
NM Non-Agricultural Employment Growth (%)	1.6	1.5	1.6	1.6	2.2	2.2
NM Personal Income Growth (%)***	4.9	4.7	4.4	4.4	5.2	5.2
NM Wages & Salaries Growth (%)****	2.8	4.1	3.2	3.2	5.4	5.4
<b><i>CRUDE OIL AND NATURAL GAS OUTLOOK</i></b>						
Oil Price (\$/barrel) Gross Sales Value	\$27.80	\$23.00	\$27.00	\$28.50	\$24.50	\$26.00
Taxable Oil Sales (million barrels)	68.5	67.0	68.0	68.0	67.3	67.3
Gas Price (\$ per thousand cubic feet) Gross Value	\$3.60	\$3.45	\$4.25	\$4.50	\$3.80	\$4.00
Taxable Gas Sales (billion cubic feet)	1,570	1,540	1,525	1,525	1500	1500

\*\*CPI is all Urban, Overnight Yield is the Federal Funds Rate.

\*\*\*Personal Income growth rates are for calendar years.

\*\*\*\* Private Wages and Salaries Growth.

Sources: *Global Insight, FOR-UNM and Consensus Revenue Estimating Group*

RECURRING GENERAL FUND AGENCY SUMMARY  
FISCAL YEAR 2005  
(dollars in thousands)

Code	Department Name	FY04 Operating Budget	LFC Total Recommend	Exec Total Recommend	Governor's Action	Final Based On Governor's Action	Final Dollar Change	Final Percent Change	GF Percent of Total
<b>FEED BILL:</b>									
111	LEGISLATIVE COUNCIL SERVICE	4,212.9	4,246.2	4,246.2	-	4,246.2	33.3	0.8%	0.1%
112	LEGISLATIVE FINANCE COMMITTEE	3,089.8	3,303.0	3,153.0	-	456.3	(2,633.5)	-85.2%	0.0%
114	SENATE CHIEF CLERK	951.9	951.9	951.9	-	951.9	(0.1)	0.0%	0.0%
115	HOUSE CHIEF CLERK	921.2	921.2	921.2	-	921.2	12.7	1.3%	0.0%
117	LEGISLATIVE EDUCATION STUDY COMMITTEE	945.2	957.9	957.9	-	957.9	12.7	1.3%	0.0%
131	LEGISLATURE	1,284.9	1,284.9	1,284.9	-	1,284.9	-	0.0%	0.0%
	<b>LEGISLATIVE</b>	<b>11,405.9</b>	<b>11,665.1</b>	<b>11,515.1</b>	<b>-</b>	<b>8,818.3</b>	<b>(2,587.6)</b>	<b>-22.7%</b>	<b>0.2%</b>
<b>GENERAL APPROPRIATION ACT:</b>									
111	ENERGY COUNCIL DUES	32.0	32.0	32.0	-	32.0	-	0.0%	0.0%
111	LEGISLATIVE RETIREMENT	218.0	266.0	218.0	-	266.0	48.0	22.0%	0.0%
111	LEGISLATIVE COUNCIL SERVICE	-	-	-	-	-	-	#DIV/0!	0.0%
112	LEGISLATIVE FINANCE COMMITTEE	-	-	-	-	2,846.7	2,846.7	#DIV/0!	0.1%
119	LEGISLATIVE MAINTENANCE	3,235.7	3,265.6	3,265.6	-	3,265.6	29.9	0.9%	0.1%
	<b>LEGISLATIVE</b>	<b>3,465.7</b>	<b>3,563.6</b>	<b>3,515.6</b>	<b>-</b>	<b>6,410.3</b>	<b>2,924.6</b>	<b>83.9%</b>	<b>0.1%</b>
205	SUPREME COURT LAW LIBRARY	1,422.3	1,580.8	1,429.2	-	1,580.8	158.5	11.1%	0.0%
208	NEW MEXICO COMPILATION COMMISSION	-	-	-	-	-	-	#DIV/0!	0.0%
210	JUDICIAL STANDARDS COMMISSION	362.5	371.4	372.2	-	372.2	9.7	2.7%	0.0%
215	COURT OF APPEALS	4,396.3	4,409.0	4,413.8	-	4,470.8	74.5	1.7%	0.1%
216	SUPREME COURT	2,151.2	2,214.4	2,198.0	-	2,238.1	86.9	4.0%	0.1%
218	ADMINISTRATIVE OFFICE OF THE COURTS	27,826.8	28,785.9	28,416.5	(200.0)	29,237.9	1,411.1	5.1%	0.7%
219	SUPREME COURT BUILDING COMMISSION	658.0	672.1	671.0	-	672.9	14.9	2.3%	0.0%
231	FIRST JUDICIAL DISTRICT COURT	4,661.9	4,661.9	4,519.2	-	4,870.9	209.0	4.5%	0.1%
232	SECOND JUDICIAL DISTRICT COURT	15,851.4	16,080.0	16,197.9	-	16,422.9	571.5	3.6%	0.4%
233	THIRD JUDICIAL DISTRICT COURT	4,189.6	4,189.6	4,013.8	-	4,354.6	165.0	3.9%	0.1%
234	FOURTH JUDICIAL DISTRICT COURT	1,074.4	1,091.2	1,103.0	-	1,103.0	28.6	2.7%	0.0%
235	FIFTH JUDICIAL DISTRICT COURT	3,884.8	3,917.2	3,968.9	-	4,028.5	143.7	3.7%	0.1%
236	SIXTH JUDICIAL DISTRICT COURT	1,852.8	1,866.5	1,706.3	-	1,914.7	61.9	3.3%	0.0%
237	SEVENTH JUDICIAL DISTRICT COURT	1,421.1	1,429.7	1,442.0	-	1,442.0	20.9	1.5%	0.0%
238	EIGHTH JUDICIAL DISTRICT COURT	1,922.4	1,927.1	1,704.7	-	1,967.1	44.7	2.3%	0.0%
239	NINTH JUDICIAL DISTRICT COURT	1,775.1	1,816.1	1,815.0	-	1,831.1	56.0	3.2%	0.0%
240	TENTH JUDICIAL DISTRICT COURT	576.0	575.2	580.8	-	580.8	4.8	0.8%	0.0%
241	ELEVENTH JUDICIAL DISTRICT COURT	3,318.3	3,329.3	3,373.6	-	3,373.6	55.3	1.7%	0.1%
242	TWELFTH JUDICIAL DISTRICT COURT	1,955.3	2,006.3	1,799.0	-	2,006.3	51.0	2.6%	0.0%
243	THIRTEENTH JUDICIAL DISTRICT COURT	3,152.2	3,304.4	3,020.1	-	3,374.4	222.2	7.0%	0.1%
244	BERNALILLO COUNTY METROPOLITAN COURT	15,429.4	15,750.9	15,697.4	-	16,148.8	719.4	4.7%	0.4%
251	FIRST JUDICIAL DISTRICT ATTORNEY	3,192.8	3,280.0	3,352.4	-	3,355.0	162.2	5.1%	0.1%
252	SECOND JUDICIAL DISTRICT ATTORNEY	12,838.0	12,975.7	13,033.4	-	13,070.7	232.7	1.8%	0.3%
253	THIRD JUDICIAL DISTRICT ATTORNEY	2,651.3	2,651.3	2,651.3	-	2,651.3	-	0.0%	0.1%
254	FOURTH JUDICIAL DISTRICT ATTORNEY	2,031.3	2,075.2	2,162.9	-	2,181.2	149.9	7.4%	0.0%
255	FIFTH JUDICIAL DISTRICT ATTORNEY	2,911.1	2,950.0	2,978.8	-	2,964.0	52.9	1.8%	0.1%
256	SIXTH JUDICIAL DISTRICT ATTORNEY	1,578.3	1,613.7	1,613.7	-	1,618.3	40.0	2.5%	0.0%
257	SEVENTH JUDICIAL DISTRICT ATTORNEY	1,707.9	1,708.6	1,726.3	-	1,789.4	81.5	4.8%	0.0%
258	EIGHTH JUDICIAL DISTRICT ATTORNEY	1,889.2	1,927.3	1,920.3	-	1,920.3	31.1	1.6%	0.0%
259	NINTH JUDICIAL DISTRICT ATTORNEY	1,756.4	1,782.1	1,803.3	-	1,803.3	46.9	2.7%	0.0%
260	TENTH JUDICIAL DISTRICT ATTORNEY	668.2	678.4	681.5	-	709.9	41.7	6.2%	0.0%
261	ELEVENTH JUDICIAL DISTRICT ATTORNEY	2,433.5	2,442.7	2,544.8	-	2,442.7	9.2	0.4%	0.1%
262	TWELFTH JUDICIAL DISTRICT ATTORNEY	1,969.3	1,962.8	2,042.1	-	2,008.3	39.0	2.0%	0.0%
263	THIRTEENTH JUDICIAL DISTRICT ATTORNEY	2,599.3	2,670.1	2,729.2	-	2,730.1	130.8	5.0%	0.1%
264	ADMINISTRATIVE OFFICE OF THE DISTRICT ATTORNEY	964.3	993.3	965.8	-	993.3	29.0	3.0%	0.0%
265	ELEVENTH JUDICIAL DISTRICT ATTORNEY, DIV II	1,441.1	1,493.1	1,540.4	-	1,556.1	115.0	8.0%	0.0%

RECURRING GENERAL FUND AGENCY SUMMARY  
FISCAL YEAR 2005  
(dollars in thousands)

Code	Department Name	FY04 Operating Budget	LFC Total Recommend	Exec Total Recommend	Governor's Action	Final Based On Governor's Action	Final Dollar Change	Final Percent Change	GF Percent of Total
<b>JUDICIAL</b>		<b>138,513.8</b>	<b>141,137.9</b>	<b>140,191.7</b>	<b>(200.0)</b>	<b>143,785.3</b>	<b>5,271.5</b>	<b>3.8%</b>	<b>3.3%</b>
305	ATTORNEY GENERAL	10,542.7	10,790.1	10,670.4	-	10,890.1	347.4	3.3%	0.2%
308	STATE AUDITOR	2,178.8	2,175.0	2,154.8	-	2,234.8	76.0	3.5%	0.1%
333	TAXATION AND REVENUE DEPARTMENT	52,766.2	53,745.9	55,678.8	-	55,678.8	2,912.6	#DIV/0!	1.3%
337	STATE INVESTMENT COUNCIL	-	-	-	-	-	-	#DIV/0!	0.0%
341	DEPARTMENT OF FINANCE AND ADMINISTRATION	9,865.0	10,079.3	10,072.8	-	10,445.1	580.1	5.9%	0.2%
342	PUBLIC SCHOOL INSURANCE AUTHORITY	-	-	-	-	-	-	#DIV/0!	0.0%
343	RETIREE HEALTH CARE AUTHORITY	10.0	10.0	10.0	-	10.0	-	0.0%	0.0%
344	DFA SPECIAL APPROPRIATIONS	3,888.4	3,923.6	3,923.6	-	3,929.6	41.2	1.1%	0.1%
350	GENERAL SERVICES DEPARTMENT	10,518.2	11,115.2	10,895.8	-	10,895.8	377.6	3.6%	0.2%
352	EDUCATIONAL RETIREMENT BOARD	-	-	-	-	-	-	#DIV/0!	0.0%
354	NEW MEXICO SENTENCING COMMISSION	356.8	356.8	356.8	-	356.8	-	0.0%	0.0%
355	PUBLIC DEFENDER DEPARTMENT	28,460.0	29,883.8	29,515.1	-	29,585.1	1,125.1	4.0%	0.7%
356	GOVERNOR	3,910.4	4,163.1	3,940.2	-	4,140.2	229.8	5.9%	0.1%
360	LIEUTENANT GOVERNOR	630.8	621.2	623.0	-	623.0	(7.8)	-1.2%	0.0%
361	INFORMATION TECHNOLOGY MANAGEMENT OFFICE	860.9	947.0	994.0	-	947.0	86.1	10.0%	0.0%
366	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION	-	-	-	-	-	-	#DIV/0!	0.0%
369	STATE COMMISSION OF PUBLIC RECORDS	2,002.7	2,070.3	2,007.9	-	2,127.2	124.5	6.2%	0.0%
370	SECRETARY OF STATE	2,816.2	2,894.0	2,873.4	-	2,894.0	77.8	2.8%	0.1%
378	PERSONNEL BOARD	3,734.2	3,860.3	3,739.9	-	3,797.3	63.1	1.7%	0.1%
379	PUBLIC EMPLOYEES LABOR RELATIONS BOARD	327.0	129.0	325.6	-	301.6	(25.4)	-7.8%	0.0%
394	STATE TREASURER	3,212.4	3,432.2	3,379.3	-	3,379.3	166.9	5.2%	0.1%
<b>GENERAL CONTROL</b>		<b>136,080.7</b>	<b>140,196.8</b>	<b>141,161.4</b>	<b>-</b>	<b>142,255.7</b>	<b>6,175.0</b>	<b>4.5%</b>	<b>3.2%</b>
404	BOARD OF EXAMINERS FOR ARCHITECTS	-	-	-	-	-	-	#DIV/0!	0.0%
417	BORDER AUTHORITY	353.8	371.6	436.1	-	371.6	17.8	5.0%	0.0%
418	TOURISM DEPARTMENT	8,457.0	8,316.1	8,580.6	-	8,316.1	(140.9)	-1.7%	0.2%
419	ECONOMIC DEVELOPMENT DEPARTMENT	6,115.0	6,137.9	7,905.3	(70.0)	6,427.9	312.9	5.1%	0.1%
420	REGULATION & LICENSING DEPARTMENT	12,921.7	12,671.7	13,655.4	-	12,738.5	(183.2)	-1.4%	0.3%
430	PUBLIC REGULATION COMMISSION	12,919.1	13,317.1	13,414.9	-	13,242.1	323.0	2.5%	0.3%
446	NEW MEXICO 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 LICENSE/PROF ENGINEERS & SURVEYORS	-	-	-	-	-	-	#DIV/0!	0.0%
465	GAMING CONTROL BOARD	4,936.3	5,060.1	4,824.2	-	4,960.1	23.8	0.5%	0.1%
469	STATE RACING COMMISSION	1,571.7	1,760.9	1,683.9	-	1,880.9	309.2	19.7%	0.0%
479	BOARD OF VETERINARY MEDICINE	-	-	-	-	-	-	#DIV/0!	0.0%
490	CUMBRES AND TOLTEC RAILROAD	610.0	-	709.5	-	-	(610.0)	-100.0%	0.0%
<b>COMMERCE AND INDUSTRY</b>		<b>47,884.6</b>	<b>47,635.4</b>	<b>51,209.9</b>	<b>(70.0)</b>	<b>47,937.2</b>	<b>52.6</b>	<b>0.1%</b>	<b>1.1%</b>
505	CULTURAL AFFAIRS DEPARTMENT	23,830.0	24,617.0	24,801.0	-	25,127.0	1,297.0	5.4%	0.6%
508	NEW MEXICO LIVESTOCK BOARD	627.8	630.8	623.1	-	630.8	3.0	0.5%	0.0%
516	DEPARTMENT OF GAME AND FISH	176.1	176.1	176.1	-	176.1	-	0.0%	0.0%
521	ENERGY, MINERALS AND NATURAL RESOURCES	18,865.7	19,820.9	19,846.3	-	19,846.9	781.2	4.1%	0.4%
522	YOUTH CONSERVATION CORPS	-	-	-	-	-	-	#DIV/0!	0.0%
539	COMMISSIONER OF PUBLIC LANDS	-	-	-	(65.0)	-	-	#DIV/0!	0.0%
550	STATE ENGINEER	15,263.6	15,170.7	15,485.9	-	15,170.7	(92.9)	-0.6%	0.3%
569	ORGANIC COMMODITY COMMISSION	244.8	247.5	244.8	-	272.5	27.7	11.3%	0.0%
<b>AGRICULTURE, ENERGY &amp; NAT'L RESOURCES</b>		<b>59,008.0</b>	<b>60,663.0</b>	<b>61,277.2</b>	<b>(65.0)</b>	<b>61,024.0</b>	<b>2,016.0</b>	<b>3.4%</b>	<b>1.4%</b>

RECURRING GENERAL FUND AGENCY SUMMARY  
FISCAL YEAR 2005  
(dollars in thousands)

Code	Department Name	FY04 Operating Budget	LFC Total Recommend	Exec Total Recommend	Governor's Action	Final Based On Governor's Action	Final Dollar Change	Final Percent Change	GF Percent of Total
601	COMMISSION ON THE STATUS OF WOMEN	452.8	459.6	459.0	-	459.0	6.2	1.4%	0.0%
603	OFFICE OF AFRICAN AMERICAN AFFAIRS	300.0	302.1	410.5	-	277.1	(22.9)	-7.6%	0.0%
604	CMS/DEAF AND HARD-OF-HEARING PERSONS	533.4	-	-	-	-	(533.4)	-100.0%	0.0%
605	MARTIN LUTHER KING, JR. COMMISSION	186.6	203.0	236.6	-	229.6	43.0	23.0%	0.0%
606	COMMISSION FOR THE BLIND	1,467.2	1,508.8	1,509.2	-	1,509.2	42.0	2.9%	0.0%
609	INDIAN AFFAIRS DEPARTMENT	1,918.7	2,018.2	1,932.9	-	2,068.2	149.5	7.8%	0.0%
624	AGING AND LONG-TERM CARE DEPARTMENT	21,623.2	21,754.2	21,945.2	-	21,787.2	164.0	0.8%	0.5%
630	HUMAN SERVICES DEPARTMENT	471,401.5	534,194.6	528,166.6	-	540,355.6	68,954.1	14.6%	12.3%
631	LABOR DEPARTMENT	1,094.0	1,125.6	1,125.6	-	1,525.6	431.6	39.5%	0.0%
632	WORKERS' COMPENSATION ADMINISTRATION	-	-	-	-	-	-	#DIV/0!	0.0%
644	DIVISION OF VOCATIONAL REHABILITATION	5,401.4	5,401.4	5,384.3	-	5,461.4	60.0	1.1%	0.1%
645	GOVERNOR'S CMTE ON CONCERNS OF THE HANDICAP	548.3	550.1	556.7	-	556.7	8.4	1.5%	0.0%
647	DEVELOPMENTAL DISABILITIES PLANNING COUNCIL	2,333.4	2,804.5	2,419.7	-	2,804.5	471.1	20.2%	0.1%
662	MINERS' HOSPITAL OF NEW MEXICO	-	-	-	-	-	-	#DIV/0!	0.0%
665	DEPARTMENT OF HEALTH	248,819.3	250,717.5	252,535.7	(1,000.0)	256,274.5	7,455.2	3.0%	5.9%
667	DEPARTMENT OF ENVIRONMENT	14,331.4	14,829.3	13,993.7	-	14,829.3	497.9	3.5%	0.3%
668	OFFICE OF THE NATURAL RESOURCES TRUSTEE	240.1	148.3	141.8	-	141.8	(98.3)	-40.9%	0.0%
669	NEW MEXICO HEALTH POLICY COMMISSION	1,393.6	1,351.0	1,406.5	-	1,291.0	(102.6)	-7.4%	0.0%
670	VETERANS' SERVICE DEPARTMENT	1,785.1	1,870.5	1,788.6	-	1,995.5	210.4	11.8%	0.0%
690	CHILDREN, YOUTH & FAMILIES DEPARTMENT	140,235.7	144,701.1	146,716.1	-	147,701.1	7,465.4	5.3%	3.4%
	<b>HEALTH, HOSPITALS &amp; HUMAN SERVICES</b>	<b>914,065.7</b>	<b>984,608.2</b>	<b>980,728.1</b>	<b>(1,000.0)</b>	<b>999,267.3</b>	<b>85,201.6</b>	<b>9.3%</b>	<b>22.8%</b>
705	DEPARTMENT OF MILITARY AFFAIRS	4,975.7	4,971.4	5,131.7	-	5,225.7	250.0	5.0%	0.1%
760	PAROLE BOARD	351.9	358.1	354.3	-	354.3	2.4	0.7%	0.0%
765	JUVENILE PAROLE BOARD	352.1	357.1	357.1	-	361.5	9.4	2.7%	0.0%
770	CORRECTIONS DEPARTMENT	202,480.9	207,091.1	203,990.6	-	205,000.6	2,519.7	1.2%	4.7%
780	CRIME VICTIMS REPARATION COMMISSION	1,697.7	1,729.4	1,712.3	-	1,712.3	14.6	0.9%	0.0%
790	DEPARTMENT OF PUBLIC SAFETY	70,931.8	71,852.6	71,933.5	(200.0)	72,025.8	1,094.0	1.5%	1.6%
	<b>PUBLIC SAFETY</b>	<b>280,790.1</b>	<b>286,364.1</b>	<b>283,479.5</b>	<b>(200.0)</b>	<b>284,680.2</b>	<b>3,890.1</b>	<b>0.1</b>	<b>6.5%</b>
805	STATE HIGHWAY & TRANSPORTATION DEPARTMENT	-	-	-	-	-	-	#DIV/0!	0.0%
	<b>TRANSPORTATION</b>	-	-	-	-	-	-	<b>#DIV/0!</b>	<b>0.0%</b>
924	PUBLIC EDUCATION DEPARTMENT	9,463.2	9,463.2	9,801.2	-	10,351.2	888.0	9.4%	0.2%
925	OTHER EDUCATION	7,531.6	5,331.6	14,235.1	-	6,918.1	(613.5)	-8.1%	0.2%
926	NEW MEXICO SCHOOL FOR THE VISUALLY HANDICAP	11.5	11.5	11.5	-	11.5	-	0.0%	0.0%
927	NEW MEXICO SCHOOL FOR THE DEAF	3,393.3	-	476.7	-	500.0	(2,893.3)	-85.3%	0.0%
940	PUBLIC SCHOOL FACILITIES AUTHORITY	-	-	-	-	-	-	#DIV/0!	0.0%
	<b>OTHER EDUCATION</b>	<b>20,395.6</b>	<b>14,806.3</b>	<b>24,524.5</b>	-	<b>17,780.8</b>	<b>(2,618.8)</b>	<b>-12.8%</b>	<b>0.4%</b>
950	COMMISSION ON HIGHER EDUCATION	31,986.4	31,787.6	45,556.2	-	31,985.9	(0.5)	0.0%	0.7%
952	UNIVERSITY OF NEW MEXICO	248,596.8	249,012.5	238,188.2	-	248,942.5	345.7	0.1%	5.7%
954	NEW MEXICO STATE UNIVERSITY	153,088.0	156,803.5	155,536.5	-	157,847.3	4,759.3	3.1%	3.6%
956	NEW MEXICO HIGHLANDS UNIVERSITY	23,723.1	24,491.6	25,166.9	-	25,110.8	1,387.7	5.8%	0.6%
958	WESTERN NEW MEXICO UNIVERSITY	15,417.6	15,909.2	15,641.0	-	16,152.9	735.3	4.8%	0.4%
960	EASTERN NEW MEXICO UNIVERSITY	35,645.6	37,162.3	36,921.3	-	37,278.3	1,632.7	4.6%	0.9%
962	NM INSTITUTE OF MINING & TECHNOLOGY	31,102.6	31,598.5	30,399.4	-	31,764.1	661.5	2.1%	0.7%
964	NORTHERN NM COMMUNITY COLLEGE	8,007.3	8,137.2	8,145.1	-	8,128.4	121.1	1.5%	0.2%
966	SANTA FE COMMUNITY COLLEGE	11,397.7	12,237.0	12,309.1	-	12,057.1	659.4	5.8%	0.3%
968	TECHNICAL VOCATIONAL INSTITUTE	40,917.5	43,026.0	43,451.0	-	42,954.7	2,037.2	5.0%	1.0%
970	LUNA VOCATIONAL TECHNICAL INSTITUTE	6,197.6	6,598.0	6,624.7	-	6,594.8	397.2	6.4%	0.2%

RECURRING GENERAL FUND AGENCY SUMMARY  
FISCAL YEAR 2005  
(dollars in thousands)

Code	Department Name	FY04 Operating Budget	LFC Total Recommend	Exec Total Recommend	Governor's Action	Final Based On Governor's Action	Final Dollar Change	Final Percent Change	GF Percent of Total
972	MESALANDS COMMUNITY COLLEGE	2,238.2	2,285.5	2,296.0	-	2,284.1	45.9	2.1%	0.1%
974	NEW MEXICO JUNIOR COLLEGE	7,719.7	7,781.4	7,871.4	-	7,781.9	62.2	0.8%	0.2%
976	SAN JUAN COLLEGE	16,274.9	18,680.6	18,805.4	-	18,650.7	2,375.8	14.6%	0.4%
977	CLOVIS COMMUNITY COLLEGE	9,278.3	9,300.3	9,413.4	-	9,292.7	14.4	0.2%	0.2%
978	NEW MEXICO MILITARY INSTITUTE	-	-	-	-	-	-	#DIV/0!	0.0%
980	HIGHER EDUCATION COMPENSATION	-	6,431.3	-	-	13,262.6	13,262.6	#DIV/0!	0.3%
	<b>HIGHER EDUCATION</b>	<b>641,591.3</b>	<b>661,900.8</b>	<b>655,650.3</b>	-	<b>670,088.8</b>	<b>28,497.5</b>	<b>4.4%</b>	<b>15.3%</b>
993	PUBLIC SCHOOL SUPPORT	1,863,273.8	1,943,436.7	1,935,940.9	-	1,943,267.2	79,993.4	4.3%	44.4%
995	PUBLIC SCHOOL COMPENSATION	-	15,819.6	-	-	31,639.2	31,639.2	#DIV/0!	0.7%
	<b>PUBLIC SCHOOL SUPPORT</b>	<b>1,863,273.8</b>	<b>1,959,256.3</b>	<b>1,935,940.9</b>	-	<b>1,974,906.4</b>	<b>111,632.6</b>	<b>#DIV/0!</b>	<b>45.1%</b>
995	STATE AGENCY COMPENSATION	-	6,583.3	8,000.0	-	15,185.0	15,185.0	#DIV/0!	0.3%
995	JUDICIAL COMPENSATION	-	-	1,900.0	-	-	-	-	0.0%
	<b>COMPENSATION</b>	<b>-</b>	<b>6,583.3</b>	<b>9,900.0</b>	<b>-</b>	<b>15,185.0</b>	<b>15,185.0</b>	<b>#DIV/0!</b>	<b>0.3%</b>
	Section 7 ADDITIONAL APPROPRIATIONS	-	-	-	(2,785.0)	8,415.0	8,415.0	-	0.2%
	<b>TOTAL ADDITIONAL APPROPRIATIONS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,785.0)</b>	<b>8,415.0</b>	<b>8,415.0</b>	<b>-</b>	<b>0.2%</b>
	<b>TOTAL GENERAL APPROPRIATION ACT</b>	<b>4,105,093.3</b>	<b>4,306,715.7</b>	<b>4,287,579.1</b>	<b>(4,320.0)</b>	<b>4,371,736.0</b>	<b>266,642.7</b>	<b>6.5%</b>	<b>99.8%</b>
	<b>TOTAL FEED BILL AND GENERAL APPROPRIATION ACT</b>	<b>4,116,499.2</b>	<b>4,318,380.8</b>	<b>4,299,094.2</b>	<b>(4,320.0)</b>	<b>4,380,554.3</b>	<b>264,055.1</b>	<b>6.4%</b>	<b>100.0%</b>
	<b>FEED BILL:</b>								
	LEGISLATIVE	11,405.9	11,665.1	11,515.1	-	8,818.3	(2,587.6)	-22.7%	0.2%
	<b>GENERAL APPROPRIATION ACT:</b>								
	LEGISLATIVE	3,485.7	3,563.6	3,515.6	-	6,410.3	2,924.6	83.9%	0.1%
	JUDICIAL	138,513.8	141,137.9	140,191.7	(200.0)	143,785.3	5,271.5	3.8%	3.3%
	GENERAL CONTROL	136,080.7	140,196.8	141,161.4	-	142,255.7	6,175.0	4.5%	3.2%
	COMMERCE & INDUSTRY	47,884.6	47,635.4	51,209.9	(70.0)	47,937.2	52.6	0.1%	1.1%
	AG., ENERGY & NATURAL RESOURCES	59,008.0	60,663.0	61,277.2	(65.0)	61,024.0	2,016.0	3.4%	1.4%
	HEALTH, HOSPITALS & HUMAN SERVICES	914,065.7	984,608.2	980,728.1	(1,000.0)	999,267.3	85,201.6	9.3%	22.8%
	PUBLIC SAFETY	280,790.1	286,364.1	283,479.5	(200.0)	284,680.2	3,890.1	1.4%	6.5%
	TRANSPORTATION	-	-	-	-	-	-	#DIV/0!	0.0%
	OTHER EDUCATION	20,399.6	14,806.3	24,524.5	-	17,780.8	(2,618.8)	-12.8%	0.4%
	HIGHER EDUCATION	641,591.3	661,900.8	655,650.3	-	670,088.8	28,497.5	4.4%	15.3%
	PUBLIC SCHOOL SUPPORT	1,863,273.8	1,959,256.3	1,935,940.9	-	1,974,906.4	111,632.6	6.0%	45.1%
	COMPENSATION	-	6,583.3	9,900.0	-	15,185.0	15,185.0	#DIV/0!	0.3%
	ADDITIONAL APPROPRIATIONS	-	-	-	(2,785.0)	8,415.0	8,415.0	-	0.0%
	<b>TOTAL GENERAL APPROPRIATION ACT</b>	<b>4,105,093.3</b>	<b>4,306,715.7</b>	<b>4,287,579.1</b>	<b>(4,320.0)</b>	<b>4,371,736.0</b>	<b>266,642.7</b>	<b>6.5%</b>	<b>99.8%</b>
	<b>TOTAL FEED BILL AND GENERAL APPROPRIATION</b>	<b>4,116,499.2</b>	<b>4,318,380.8</b>	<b>4,299,094.2</b>	<b>(4,320.0)</b>	<b>4,380,554.3</b>	<b>264,055.1</b>	<b>6.4%</b>	<b>100.0%</b>

SECTION 7  
APPROPRIATIONS

No.	Code	Agency	Description	Governor's Action	
				Total	Total
<b>SECTION 7 - ADDITIONAL APPROPRIATIONS</b>					
1	119	Legislative Council Service	For a comprehensive healthcare cost study.		70.0
2	119	Legislative Council Service	For the production of a chronological political history of New Mexico.		20.0
3	210	Judicial Standards Commission	For two full-time-equivalent positions.		50.0
4	218	Administrative Office of the Courts	For costs associated with the tribal-state judicial consortium cross-court cultural exchange program.		14.0
5	218	Administrative Office of the Courts	To replace funding for juvenile drug courts in the third, eleventh, twelfth and thirteenth judicial districts.		100.0
6	219	Supreme Court Building Commission	To complete the renovation of the supreme court building.		25.0
7	230	Second Judicial District Court	For personal services and employee benefits costs associated with the truancy court pilot project.		75.0
8	230	Second Judicial District Court	To contract with the counseling center to provide family counseling services.		30.0
9	230	Third Judicial District Court	To provide for an increase in personal services and employee benefits.		25.0
10	230	Twelfth Judicial District Court	To develop a video arraignment system.		30.0
12	244	Bernalillo County Metropolitan Court	To expand an adult mental health court program.		70.0
14	250	Third Judicial District Attorney	For a paralegal.		25.0
15	250	Third Judicial District Attorney	For personal services and employee benefits.		25.0
16	250	Sixth Judicial District Attorney	For a deputy district attorney for six months.		40.0
18	250	Eleventh Judicial District Attorney, II	For McKinley county district attorney's office to prosecute driving while intoxicated offenders.		25.0
19	250	Thirteenth Judicial District Attorney	For a secretary and program specialists.		60.0
20	341	Department of Finance and Administration	To the local government division for costs associated with home-delivered meals for the homebound in Santa Fe county.		100.0
21	341	Department of Finance and Administration	To the local government division to contract for a domestic violence program in Torrance county.		100.0
22	341	Department of Finance and Administration	To the local government division for various state councils of government.		150.0
24	341	Department of Finance and Administration	To the local government division to contract for ambulance services in Mora county.		75.0
25	341	Department of Finance and Administration	To the local government division to contract for family strengthening services in Taos county.		25.0
26	341	Department of Finance and Administration	To the local government division for a visual and performing arts education program for primary, secondary and post-secondary students in Otero county.		35.0
27	341	Department of Finance and Administration	To the local government division for substance abuse services in Taiba in Taos county.		50.0
28	341	Department of Finance and Administration	To the local government division for design and construction expenses at the Unser children's center and racing museum.		25.0
29	341	Department of Finance and Administration	To the local government division for design and construction improvements for phase one of Ventana ranch community park.		25.0
30	341	Department of Finance and Administration	To the local government division for design and construction improvements for phase three and four of Rinconada park in Bernalillo county.		25.0
31	341	Department of Finance and Administration	To the local government division to support the Vecinos boys and girls boxing club in Taos county.		25.0
32	341	Department of Finance and Administration	To the local government division to establish an aquifer mapping study in Taos.		75.0
33	341	Department of Finance and Administration	To the local government division to renovate and restore the El Valle community center in Villanueva.		25.0
34	341	Department of Finance and Administration	To the local government division to complete the renovation of the veterans of foreign wars building in Mora.		50.0
36	341	Department of Finance and Administration	To the local government division to provide a horse therapy program and related services for physically and mentally challenged individuals in Chaves county.		25.0
41	341	Department of Finance and Administration	To the local government division to contract with the Nob Hill-Highland renaissance corporation to implement the metropolitan redevelopment area plan.		50.0
42	341	Department of Finance and Administration	To the local government division for Chichiltah chapter to wire homes.		25.0
43	341	Department of Finance and Administration	To the local government division for water improvements at Williams Acres water sanitation district.		25.0
44	341	Department of Finance and Administration	To the local government division to pay for the expenses of the Santa Fe junior wrestling team to assist with the grand national tournament.		25.0
45	341	Department of Finance and Administration	To the local government division for a solid waste program in Valencia county.		75.0
46	341	Department of Finance and Administration	To the local government division for remodeling expenses in McKinley county.		25.0
47	341	Department of Finance and Administration	To the local government division for a domestic violence program in San Miguel county.		16.0
49	341	Department of Finance and Administration	To the local government division for the women's health services family care and counseling center in Santa Fe.		250.0
50	355	Public Defender Department	For alternative sentencing in Dona Ana county.		50.0
51	356	Governor	To conduct the border governors' conference.		50.0
52	361	Office of the Chief Information Officer	For costs associated with acquiring and operating a statewide information technology asset inventory and management system.		50.0
53	419	Economic Development Department	For expenses associated with support and expansion of business incubation services in southeast Albuquerque.		100.0
55	505	Office of Cultural Affairs	For costs associated with a nationwide traveling art exhibit of three New Mexico artists.		100.0

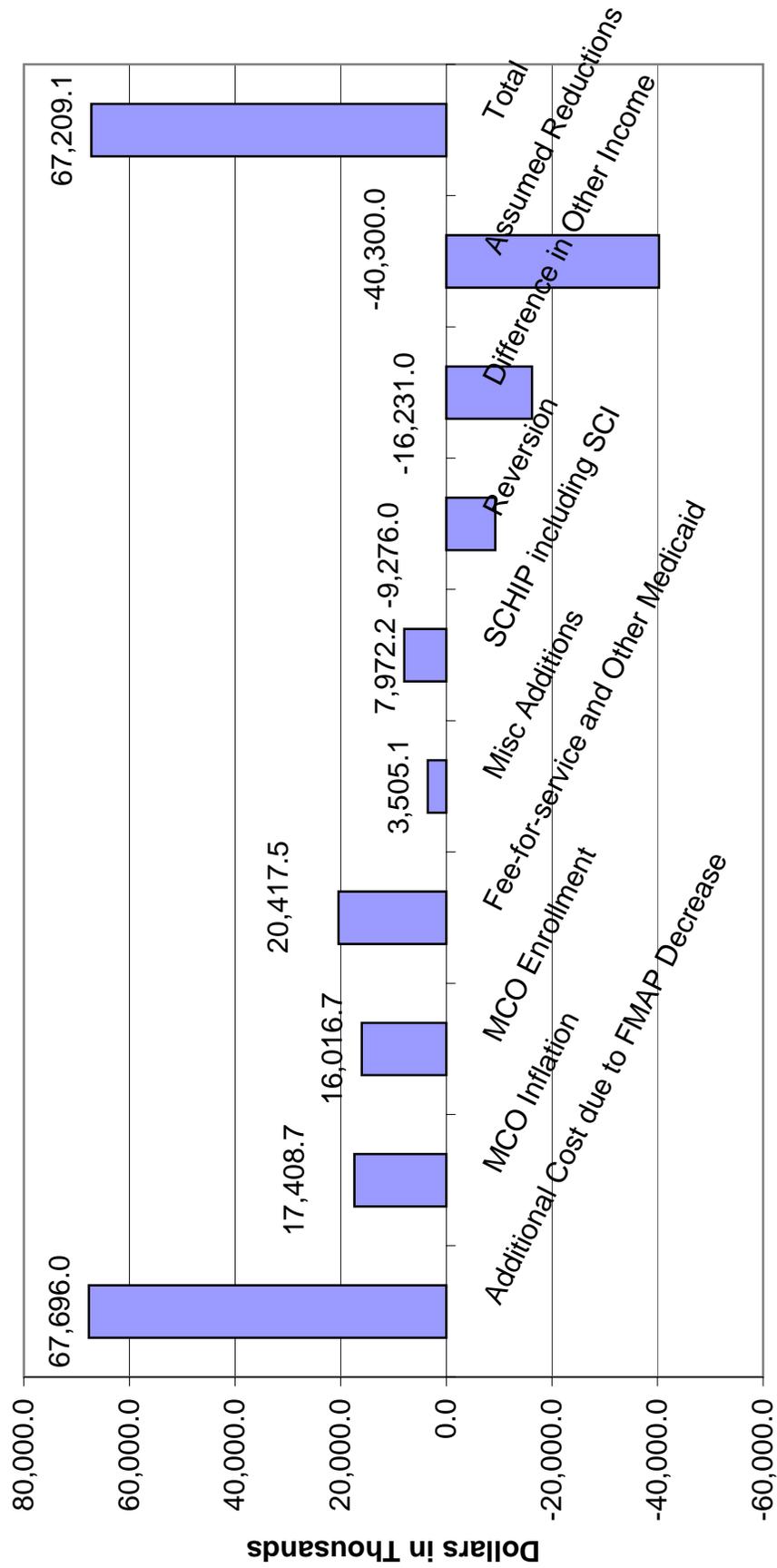
SECTION 7  
APPROPRIATIONS

56	505	Office of Cultural Affairs	For costs associated with a children's performing arts program in Santa Fe.	50.0
57	505	Office of Cultural Affairs	To the Fort Stanton development fund for costs associated with operating expenses of the Fort Stanton development commission.	175.0
58	505	Office of Cultural Affairs	For costs associated with the operations of the national Hispanic cultural center.	145.0
59	505	Office of Cultural Affairs	To cover costs of the museum of natural history Sandia mountain center.	25.0
60	505	Office of Cultural Affairs	To prevent staff furloughs at the space history museum.	25.0
61	505	Office of Cultural Affairs	To the historic preservation division to contract for the development of educational programs in historic preservation and regionalism.	100.0
62	505	Office of Cultural Affairs	To implement and operate a program for youth education in the performing arts in Santa Fe.	50.0
63	505	Office of Cultural Affairs	For operational and program expenses for Anthony valley library.	70.0
64	505	Office of Cultural Affairs	For expenses related to the rodeo museum.	35.0
65	505	Office of Cultural Affairs	For the space hall of fame.	25.0
66	521	Resources Department	Energy, Minerals and Natural	
69	550	State Engineer	To provide coordination services by the state forester for bosque management and river improvement projects.	30.0
70	603	Office of African American Affairs	For a study by the Tularosa community ditch association of the effects of a proposed desalination plant.	75.0
71	605	Martin Luther King, Jr. Commission	For costs associated with a youth program intended to decrease the number of African Americans entering the juvenile justice system and to assist African American veterans and senior citizens with obtaining health care services.	50.0
72	609	Office of Indian Affairs	To purchase educational literature and video training materials for establishing a resource library.	25.0
73	609	Office of Indian Affairs	For costs associated with a native and non-native information clearinghouse in Farmington.	6.0
74	609	Office of Indian Affairs	To contract for domestic violence shelter services for native American women and children in Albuquerque.	150.0
75	609	Office of Indian Affairs	For costs associated with the Isleta pueblo recreation program.	25.0
76	609	Office of Indian Affairs	To fund youth development programs in Tohatchi.	25.0
77	609	Office of Indian Affairs	For expenses related to holding a conference on diversity.	100.0
78	624	State Agency on Aging	For operational costs of the South Valley multipurpose family services center in Bernalillo county.	75.0
79	624	State Agency on Aging	For the project lifesaver programs to monitor persons with Alzheimer's disease or other dementia.	60.0
80	630	Human Services Department	To help fund programs for the mentally ill homeless.	50.0
83	644	Division of Vocational Rehabilitation	To expand independent living services statewide.	65.0
85	665	Department of Health	For diabetes education, prevention, diagnosis and treatment services.	50.0
86	665	Department of Health	To implement provisions of the Child Helmet Safety Act contingent on enactment of House Bill 259 or similar legislation enacted by the second session of the forty-sixth legislature.	20.0
87	665	Department of Health	For native American human immunodeficiency virus and acquired immunodeficiency syndrome services.	75.0
88	665	Department of Health	For mileage and per diem for the pain management advisory council contingent upon enactment of House Bill 163 or similar legislation enacted by the second session of the forty-sixth legislature.	25.0
89	665	Department of Health	To augment statewide mental health programs.	75.0
90	665	Department of Health	For behavioral health services for Toah behavioral health authority in Farmington.	75.0
91	665	Department of Health	For a primary healthcare clinic in Roswell.	30.0
92	665	Department of Health	To develop and augment crisis intervention training.	40.0
93	665	Department of Health	For contractual services related to the County Maternal and Child Health Plan Act.	200.0
94	665	Department of Health	For family planning activities.	100.0
95	665	Department of Health	For the Grant county health council.	75.0
96	665	Department of Health	For the Socorro county maternal and child health council.	75.0
97	669	Health Policy Commission	For personal services and employee benefits, contractual services and other categories.	100.0
98	690	Children, Youth and Families Department	For the operations of McKinley county juvenile crisis center.	50.0
99	690	Children, Youth and Families Department	For an anti-drug program for children in Bernalillo county.	75.0
100	690	Children, Youth and Families Department	To provide nonsecure alternatives to detention for juveniles and other services.	75.0
102	690	Children, Youth and Families Department	To mentor troubled youth in Chaves county.	10.0
103	690	Children, Youth and Families Department	To support services, including treatment, shelter and counseling for victims of domestic violence and their children statewide.	50.0
104	705	Department of Military Affairs	For expenditures for the employee support of guard and reserve program.	100.0
105	770	Corrections Department	To operate a reintegration program for female inmates.	75.0
106	805	Department of Transportation	For the Loma Larga road in Corrales.	100.0
107	924	Public Education Department	For a character-building program for underprivileged and native American youth in San Juan county.	80.0
108	924	Public Education Department	For an educational resource center serving the southeastern region of New Mexico to support middle schools that implement career technical education programs.	100.0
113	924	Public Education Department	For character counts in Roswell.	25.0

SECTION 7  
APPROPRIATIONS

114	924	Public Education Department	For a smaller learning communities pilot project at Santa Fe and Capital high schools in Santa Fe.	75.0
115	924	Public Education Department	To create a New Mexico government education fund contingent upon enactment of House Bill 18 or similar legislation enacted by the second session of the forty-sixth legislature.	75.0
116	924	Public Education Department	For capital projects at west mesa high school in Bernalillo county.	25.0
118	924	Public Education Department	To develop implementation plans for a magnet career high school in the Gadsden independent school district.	10.0
119	924	Public Education Department	For a drug demand reduction program through the civil air patrol cadet program for at-risk middle and high school students.	30.0
120	924	Public Education Department	To support dropout prevention, leadership development and family education programs.	200.0
121	950	Commission on Higher Education	For the faculty endowment fund.	55.0
122	950	Commission on Higher Education	For operation of the youth college program.	59.0
123	952	University of New Mexico	For operations of the young children's medical center in Albuquerque.	75.0
127	952	University of New Mexico	To the Corrine Wolfe children's law center.	20.0
128	952	University of New Mexico	To expand the manufacturing training and technology center clean room operations.	20.0
129	952	University of New Mexico	To support the university's special programs office implementation of college preparatory mentoring programs for eighth graders in the Albuquerque public school system.	50.0
130	952	University of New Mexico	For Latin American student recruitment programs.	50.0
131	952	University of New Mexico	For the school of law to conduct the New Mexico high school mock trial program.	75.0
132	952	University of New Mexico	For operational costs associated with the oncology department.	100.0
134	954	New Mexico State University	For expansion of the rural health awareness program at the cooperative extension service.	50.0
135	954	New Mexico State University	For science, engineering and mathematics programs for students with disabilities.	50.0
136	954	New Mexico State University	To the department of agriculture for promotion and development of New Mexico farmers' markets.	50.0
137	954	New Mexico State University	For research and education programs at the agricultural science center in Clovis.	75.0
138	954	New Mexico State University	For the arrowhead center for business development in the college of business administration.	75.0
139	954	New Mexico State University	For a viticulturist.	75.0
140	954	New Mexico State University	To match federal funds for water conservation and natural resource restoration programs.	75.0
141	954	New Mexico State University	To support ongoing efforts to create a permanent farmers' market at the Santa Fe rail yard.	50.0
142	954	New Mexico State University	To create an aerospace engineering department.	75.0
143	954	New Mexico State University	For a pink bollworm control program.	50.0
144	954	New Mexico State University	For the saber y hacer curriculum to provide college preparatory training statewide for Hispanic students.	20.0
146	954	New Mexico State University	For a distance education outreach program to train health-care and social-care practitioners in Alzheimer's disease and related dementias.	50.0
147	956	New Mexico Highlands University	To hire Spanish language faculty.	50.0
148	956	New Mexico Highlands University	For the center for diverse populations.	15.0
149	956	New Mexico Highlands University	For the upward bound program.	15.0
150	956	New Mexico Highlands University	For the engaging Latino communities for education program.	20.0
151	958	Western New Mexico University	For the purpose of funding newly created national collegiate athletic association II requirements.	100.0
152	958	Western New Mexico University	For a web-based teacher licensure program.	50.0
154	960	Eastern New Mexico University	To establish a national collegiate athletic association division II men's soccer team.	100.0
155	960	Eastern New Mexico University	For interactive television classrooms and support for a regional distance education consortium.	50.0
157	962	New Mexico Institute of Mining & Technology	For a statewide program that trains middle and high school teachers on the use of super computers.	80.0
158	962	New Mexico Institute of Mining & Technology	For cave and karst research.	17.0
159	962	New Mexico Institute of Mining & Technology	For the institute of complex additive systems analysis.	23.0
161	964	Northern New Mexico Community College	For math and science programs.	200.0
162	964	Northern New Mexico Community College	For a baccalaureate program in teacher education at the Espanola campus.	175.0
163	972	Mesalands Community College	For dinosaur museum programs.	100.0
164	972	Mesalands Community College	For athletic programs.	140.0
165	974	New Mexico Junior College	For interactive television classrooms and support for a regional distance education consortium.	90.0
166	974	New Mexico Junior College	For the southeastern New Mexico regional law enforcement training academy at New Mexico Junior College.	50.0
167	978	Clovis Community College	For the associate of applied science in nursing program.	75.0
				8,415.0

# Medicaid Program General Fund Change FY04 to FY05



Category of Change

**FY 05  
MEDICAID  
APPROPRIATION**

	<b>FINAL</b>
Revised General Fund Requirement Estimate based on January 21, 2004 Medicaid projection	<b>512,738.0</b>
Reductions	
Administrative Changes	17,592.7
Benefit Reductions	3,982.6
Cost-Sharing (Co-pays and Premiums) - Does not apply to Native Americans	750.0
Provider Rate Reductions	15,465.0
Other Measures	2,500.0
<b>Total Cost Reductions</b>	<b>40,290.3</b>
Revenue Enhancement Allocation	<b>2,313.3</b>
General fund revenue requirement	<b>474,761.0</b>
Add Administrative Portion	11,959.7
Total Medical Assistance Division	<b>486,720.7</b>

This is a 16.5% increase over the  
FY04 appropriation of \$407.6

## Definitions of Groupings

FINAL

<b>Administrative Changes</b>		<b>17,592.7</b>	
6	Month Eligibility Recertification (Savings net of increased administrative costs at USD)	4,580.2	2 Will not apply to individuals with permanent disabilities
	Automatic Closure for non-Recertification	4,502.3	
	Pharmacy 90 Day Supply for Maint Drugs	613.0	4
	Cap Cost Settlements at 90%	0.0	5 Currently reimburse 100%
	Eliminate Reserve Bed Days in Nursing Homes	209.2	6
	Pharmacy Fee/Reimbursement Changes	0.0	7 negotiate locally, may increase or decrease; requires legislation
	Eliminate Aggressive Outreach	3,062.0	8
	PCO Program Changes (Standardized Assessment/3rd Party Assessor)	2,045.0	9
	Require 340b Participation	0.0	10 Requires legislation
	D&E Waiver Service Changes	500.0	11 Review homemaker & nursing services
	Eliminate Expanded Services for Undocumented Individuals	2,081.0	12 Continue emergency services only
			13
<b>Benefit Reductions</b>		<b>3,982.6</b>	
	Eliminate Transportation for Pharmacy	1,200.0	14
	Reduce Eye glasses to 1 pair every 2 years	76.7	15 Establish mail order
	Reduce Frame Allowance for Glasses	55.6	16 Emergency exceptions may apply
	Eliminate Payment for Circumcisions	150.3	17 From \$25 to \$17.50
	Cap Reimbursement for Hearing Aids	0.0	18
	Reduce Adult Prosthetics and Orthotics	0.0	19
	Provide Adult Emergency Dental Care Only (REDUCE COVERAGE)	1,500.0	20 Does not apply to children
	Reduce Travel and Per Diem for Companion	0.0	21 Does not apply to children
	Reduce DME for Adults	0.0	22
	Reduce Adult PT, OT, and SLP Services by 10% each	1,000.0	23 Does not apply to children
	Reduce Adult Podiatry Services by 25%	0.0	24 Does not apply to children
	No State Coverage Initiative	0.0	25 Does not apply to children
			26
			27
<b>Cost-Sharing (Co-pays and Premiums) - Does not apply to Native Americans</b>		<b>750.0</b>	
	Co-pay for Prescription Drugs \$3	0.0	28 Federal waiver required for all co-pays, some groups exempt (in general, low income families would not share in costs)
	Co-pay for ER Visit \$15	0.0	29
	Co-pay for In Patient Admission \$25	0.0	30
	Co-pay for Office Visit \$5	0.0	31 One time, not per day
	Co-pay Increase for SCHIP and WDI	0.0	32
	Co-pay for non-emergency transportation	0.0	33 Additional \$2 per service
	Enrollment Fee per Family \$25	0.0	34 \$2 per trip, includes attendant
	Annual Premium per Family \$10	0.0	35 At initial enrollment; not recertification, some groups exempt
	Premiums for SCHIP and WDI	0.0	36 Not assessed in the same year as enrollment fee
	To Be Determined	750.0	37
			38
			39
<b>Provider Rate Reductions</b>		<b>15,465.0</b>	
	Across the Board Reduction to All Rates	3,137.4	40
	Reduce GME by 10%	0.0	41 Does not include PCO (see below)
	Reduce PCO Rate from \$15 to \$13.50	4,680.4	42
	Reduce Medicare Cross Over Reimbursement to Medicaid Rates for Co-pays	7,647.2	43
	Reduce Medicaid rates to 100% of Medicare rates	0.0	44 To not pay more than Medicaid rate
			45 Rate reductions after the across the board reductions, if lower
			46
<b>Other Measures</b>		<b>2,500.0</b>	
	Addition of 10 FTE to Attorney General Medicaid Fraud Unit	2,500.0	47
			48
			49
			50
<b>TOTAL</b>		<b>40,290.3</b>	

## TEMPORARY ASSISTANCE FOR NEEDY FAMILIES FUNDING SUMMARY E 8

(dollars in thousands)

		Gen Fund	Fed Fund	Total
	<b>REVENUE</b>			
1	General Fund	32,748.3	0.0	32,748.3
2	TANF Block Grant	0.0	110,578.1	110,578.1
3	TANF Supplemental Grant	0.0	6,553.1	6,553.1
4	TANF Carryover	0.0	20,751.1	20,751.1
5	TANF Bonus	0.0	4,574.2	4,574.2
6	<b>Total Available Revenue</b>	<b>32,748.3</b>	<b>142,456.5</b>	<b>175,204.8</b>
	<b>EXPENDITURES</b>			
8	ASD Admin	0.0	6,242.8	6,242.8
9	ISD Admin	2,363.0	11,134.0	13,497.0
10	<b>Total Administration</b>	<b>2,363.0</b>	<b>17,376.8</b>	<b>19,739.8</b>
	<b>Cash Payments</b>			
12	Cash Assistance	8,675.1	60,925.0	69,600.1
13	Education Works	2,000.0	0.0	2,000.0
14	Clothing Allowance	0.0	785.0	785.0
15	Wage Subsidy Other	0.0	600.0	600.0
16	Disregard Pass Through	440.0	0.0	440.0
17	One-Time Expenses (Diversion)	0.0	700.0	700.0
18	TANF State-funded Aliens	175.0	0.0	175.0
19	Navajo Cash Assistance	0.0	0.0	0.0
20	Zuni Cash Assistance	0.0	0.0	0.0
21	<b>Total Cash Assistance</b>	<b>11,290.1</b>	<b>63,010.0</b>	<b>74,300.1</b>
	<b>Support Services-HSD</b>			
23	Regional TANF Contracts	0.0	9,300.0	9,300.0
24	Domestic Violence	0.0	2,000.0	2,000.0
25	Employment Related Costs	0.0	425.0	425.0
26	Transportation	0.0	1,250.0	1,250.0
27	Family Strengthening/Fatherhood RFP	0.0	1,000.0	1,000.0
28	<b>Total Support-HSD</b>	<b>0.0</b>	<b>13,975.0</b>	<b>13,975.0</b>
	<b>Support Services-Other Agencies</b>			
30	Early Childhood Development (SDE)	0.0	2,982.5	2,982.5
31	GRADS (SDE)	0.0	1,300.0	1,300.0
32	Full Day Kindergarten (SDE)	0.0	4,000.0	4,000.0
33	Adult Basic Education (CHE)	0.0	1,000.0	1,000.0
34	CYFD Child Care Training	0.0	500.0	500.0
35	CYFD SSBG (Adult Protective Services)	0.0	2,000.0	2,000.0
36	CYFD Child Care	0.0	32,472.2	32,472.2
37	CYFD Domestic Violence	0.0	600.0	600.0
38	DOH Substance Abuse	0.0	1,000.0	1,000.0
39	CSW	0.0	1,440.0	1,440.0
40	A0A Gold Mentor	0.0	800.0	800.0
41	<b>TOTAL-Support Other Agencies</b>	<b>0.0</b>	<b>48,094.7</b>	<b>48,094.7</b>
42	<b>TOTAL TANF BUDGET</b>	<b>13,653.1</b>	<b>142,456.5</b>	<b>156,109.6</b>
	<b>MOE-Other Agency Budgets</b>			
44	CYFD-Title IV-A	14,200.0	0.0	14,200.0
45	CCDF	2,895.2	0.0	2,895.2
46	Head Start	2,000.0	0.0	2,000.0
47	<b>Total MOE to Other Agencies</b>	<b>19,095.2</b>	<b>0.0</b>	<b>19,095.2</b>
48	<b>TOTAL WELFARE BUDGET</b>	<b>32,748.3</b>	<b>142,456.5</b>	<b>175,204.8</b>

TABLE 9

## FY05 General Fund Used for Previous Tobacco Settlement Programs Projects

(dollars in thousands)

Agency	Program	FY02 Operating Tobacco Program Fund	FY03 Operating Tobacco Program Fund	FY04 Total After Vetoes General Fund	Tobacco Settlement Oversight Committee Rec.	FY05 Total General Fund
	<b>RECURRING</b>					
DOH	Tobacco cessation and prevention	5,000.0	5,000.0	6,000.0	8,000.0	6,000.0
DOH	Diabetes prevention and control	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0
DOH	HIV/AIDS services	470.0	470.0	470.0	470.0	470.0
DOH	Memorial Medical Center mobile medical unit	350.0	0.0	0.0	0.0	0.0
UNM	Health Sciences Center (1)	4,400.0	4,400.0	4,400.0	4,400.0	4,400.0
HSD	Various medicaid programs	0.0	8,927.5	n/a	1,300.0	0.0
VSC	Assisted living program for veterans with lung disease	0.0	600.0	veto	0.0	0.0
	<b>Total recurring expenditures</b>	<b>11,220.0</b>	<b>20,397.5</b>	<b>11,870.0</b>	<b>15,170.0</b>	<b>11,870.0</b>
						(see footnote below)
	<b>Breakdown of \$4400.0 LFC appropriation to UNM Health</b>					
(1)	<b>Science Center</b>					
	Research and clinical care programs in lung and tobacco related illness	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0
	Research in genomics and environmental health	1,500.0	1,500.0	1,500.0	1,500.0	1,500.0
	Tobacco related research	0.0	0.0	0.0	0.0	0.0
	Poison control center	450.0	450.0	450.0	450.0	450.0
	Pediatric oncology program	400.0	400.0	400.0	400.0	400.0
	Telemedicine project	150.0	150.0	150.0	150.0	150.0
	Los pasos program	50.0	50.0	50.0	50.0	50.0
	Area health education centers	50.0	50.0	50.0	50.0	50.0
	Speciality education in trauma	400.0	400.0	400.0	400.0	400.0
	Speciality education in pediatrics	400.0	400.0	400.0	400.0	400.0
	<b>Total</b>	<b>4,400.0</b>	<b>4,400.0</b>	<b>4,400.0</b>	<b>4,400.0</b>	<b>4,400.0</b>

**PUBLIC SCHOOL SUPPORT FUNDING SUMMARY FY 05**  
**GENERAL APPROPRIATION ACT OF 2004**  
*(Dollars in Thousands)*

**TABLE 10**  
Chapter 114 (partial veto)  
**Laws of 2004**

	FY 04 APPROPRIATION	Chapter 114 (partial veto) Laws of 2004
1 PROGRAM COST	\$1,714,906.2	\$1,802,906.6
2 Resource Reallocation: 1.0 percent of FY 03 program cost	(\$18,000.0)	
3 Adjustment for Overprojection of FY 04 Cash Balance Credit		(\$11,600.0)
4 Adjusted Program Cost	\$1,696,906.2	\$1,791,306.6
5 ENROLLMENT GROWTH	\$4,473.1	\$5,200.0
6 FIXED COSTS	\$3,325.5	\$1,900.0
7 INSURANCE COSTS	\$25,000.0	\$19,000.0
8 COMPENSATION for Public School Employees (2.0 percent in FY 05):		
9 Teachers	\$32,098.3	\$19,276.0
10 Instructional Staff	\$5,879.0	\$3,531.1
11 Other Certified and Non-certified	\$11,554.5	\$7,991.7
12 Annualize FY 04		
13 Teachers (6.0 percent base in FY 05/Annualize FY 04)		\$21,831.8
14 Instructional Staff (6.0 percent base in FY 05/Annualize FY 04)		\$3,998.7
15 Three-tiered Licensure Structure (1st yr. to \$30,000 in FY 04)	\$5,700.0 *	
16 Three-tiered Licensure Structure (Levels 2 & 3 to \$35,000 in FY 05)		\$8,638.7
17 Full-day Kindergarten Phase V	\$7,000.0 *	\$9,600.0
18 Student Assessment CRTs/School District Costs	\$2,000.0 *	\$1,800.0
19 National Board Certification (formula change)	\$470.0	
20 Enrollment Growth (formula change)	\$4,500.0	
21 Elementary Fine Arts (year 2 of phase-in)	\$4,000.0	\$4,000.0
22 Career Ladder for Educational Assistants		\$5,000.0
23 PROGRAM COST	<b>\$1,802,906.6</b>	<b>\$1,903,074.6</b>
24 Dollar Increase over FY 04 Appropriation		\$100,168.0
25 Percentage Increase		5.6%
26 LESS PROJECTED CREDITS (from school district cash balances)	(\$16,400.0)	
27 LESS PROJECTED CREDITS	(\$58,600.0)	(\$61,000.0)
28 LESS OTHER STATE FUNDS (from driver's license fees)	(\$3,000.0)	(\$1,700.0)
29 STATE EQUALIZATION GUARANTEE	<b>\$1,724,906.6</b>	<b>\$1,840,374.6</b>
30 Dollar Increase over FY 04 Appropriation		\$115,468.0
31 Percentage Increase		6.7%
32 CATEGORICAL PUBLIC SCHOOL SUPPORT		
33 TRANSPORTATION	\$94,500.0	
34 Operational		\$84,717.8
35 School-owned Bus Replacements		\$342.6
36 Rental Fees (Contractor-owned Buses)		\$12,336.0
37 Compensation (2.0 percent in FY 05)	\$1,222.2	\$840.4
38 TOTAL TRANSPORTATION	\$95,722.2	\$98,236.8
39 SUPPLEMENTAL DISTRIBUTIONS		
40 Out-of-state Tuition	\$495.0	\$495.0
41 Emergency Supplemental	\$2,600.0	\$2,600.0
42 INSTRUCTIONAL MATERIAL FUND	\$32,700.0	\$26,600.0
43 EDUCATIONAL TECHNOLOGY FUND	\$5,000.0	\$5,000.0
44 INCENTIVES FOR SCHOOL IMPROVEMENT FUND	\$1,600.0 *	
45 Adequate Yearly Progress Program (at least 60 percent)		\$960.0
46 State Improving School Program (up to 40 percent)		\$640.0
47 Three-tiered Licensure Evaluation System Implementation	\$250.0	
48 TOTAL CATEGORICAL	<b>\$138,367.2</b>	<b>\$134,531.8</b>
49 TOTAL PUBLIC SCHOOL SUPPORT	<b>\$1,863,273.8</b>	<b>\$1,974,906.4</b>
50 Dollar Increase over FY 04 Appropriation		\$111,632.6
51 Percentage Increase		6.0%
52 RELATED APPROPRIATIONS: RECURRING		
53 Public Education Department	\$9,463.2	\$10,351.2
54 Advanced Placement Framework	\$381.6	\$381.6
55 Apprenticeship Assistance	\$650.0	\$650.0
56 Beginning Teacher Induction/Mentorship	\$900.0 *	\$900.0
57 CHARTER SCHOOLS STIMULUS FUND	\$200.0	\$200.0
58 Family and Youth Resource Act/Family and Youth Services		\$1,800.0
59 Indian Education Act of 2003		
60 Teacher & Princ. Quality, Exemp. Progs., Curric. Dev. & Monitoring/Expanded Services	\$2,000.0	\$2,500.0
61 Kindergarten Plus (Extended Kindergarten for High-poverty Areas)	\$100.0 *	\$100.0
62 Re:Learning	\$900.0	
63 Regional Education Technology Assistance (RETA)	\$500.0	
64 Service Learning	\$100.0	
65 Strengthening Quality in Schools (SQS)	\$500.0	
66 To CHE: Teacher Loan for Service	\$386.5 *	\$386.5
67 TOTAL RELATED APPROPRIATIONS: RECURRING	<b>\$16,081.3</b>	<b>\$17,269.3</b>
68 TOTAL RECURRING GENERAL FUND	<b>\$1,879,355.1</b>	<b>\$1,992,175.7</b>
69 Dollar Increase over FY 04 Appropriation		\$112,820.6
70 Percentage Increase		6.0%

Footnote: For comparison purposes, in FY04 \$1 million for performance-based budgeting and \$300 thousand for the Office of Education Accountability are displayed in a separate section.

**Public School Reform Initiatives**

**TABLE 11**

**FY05 Recurring Reform Revenue**

Three-tiered Licensure Structure (1st yr. To \$30,000 in FY04)	\$ 5,700.0
Student Assessment CRTs/School District Costs (FY04)	\$ 2,000.0
National Board Certification (formula Change) (FY04)	\$ 470.0
Three-tiered Licensure Structure (Levels 2&3 to \$35,000 in FY05)	\$ 8,638.7
Full-day Kindergarten Phase V	\$ 9,600.0
Student Assessment CRTs/School District Costs	\$ 1,800.0
Elementary Fin Arts (Year 2 of phase-in)	\$ 4,000.0
Career Ladder for Educational Assistants (Year 1 of 4-year phase-in)	\$ 5,000.0
Incentives for Schools Improvement Fund	\$ 1,600.0
Beginning Teacher Induction/Mentorship	\$ 900.0
Family and Youth Resource Act/Family and Youth Services	\$ 1,800.0
Indian Education Act of 2003-Expanded Services	\$ 2,500.0
Kindergarten Plus (Extended Kindergarten for High-Poverty Areas)	\$ 100.0
Teacher Loan for Service (to CHE)	\$ 386.5
Two percent salary adjustment for EA's and Three-tier structure	\$ 2,500.0
<b>Total FY05 Recurring Reform Revenue</b>	<b>\$ <u>46,995.2</u></b>

**Special Non-recurring Appropriations to PED (for expenditure in FY 04 and FY 05)**

ADS upgrade to meet NCLB requirements	\$ 500.0
Audit GED Initiative	\$ 200.0
Bullying Prevention Initiative	\$ 350.0
Charter School Expanded Services	\$ 475.0
Dance Activity Program/In-school or Residency	\$ 100.0
Dropout Prevention Program (includes 1 FTE)	\$ 200.0
Education Support (1 FTE)	\$ 113.6
Educator Preparation: Three-tiered Licensure Support (includes 1 FTE)	\$ 47.6
Family School Readiness Program Initiative (Even Start)	\$ 200.0
Governor's Commission on Teaching	\$ 50.0
Indian Education (1 FTE)	\$ 113.6
Information Technology Education Reform Support (1 FTE)	\$ 113.6
Information Technology Infrastructure Upgrade and Network	\$ 200.0
Magnet Career Academy	\$ 200.0
Math and Science Standards-based Education Technology	\$ 200.0
Middle College Dropout Initiative	\$ 100.0
New Mexico Border Superintendent Leadership Institute	\$ 200.0
PBPB (FY 04)/NCES Chart of Accounts Implementation (FY05)	\$ 1,800.0
PROFESSIONAL DEVELOPMENT FUND	\$ 2,400.0
Rural Ed. Initiatives	\$ 300.0
Rural Education (1 FTE)	\$ 113.6
Rural School Advanced Placement Acceleration Program	\$ 100.0
School District and PED Quality Assurance and District Interface (1 FTE)	\$ 113.6
State Student Identification Number System (FY 05 maintenance)	\$ 93.0
Student Assessment	\$ 385.5
Student Assessment Criterion Reference Testing - State-level costs	\$ 350.0
Teacher Licensing Support (includes 1 FTE)	\$ 140.0
Three-tiered Licensure Evaluation System Implementation	\$ 1,000.0
Truancy Initiative	\$ 500.0
Vocational High School Model	\$ 225.0
<b>TOTAL REFORM (after executive action)</b>	<b>\$ <u>10,884.1</u></b>

**HIGHER EDUCATION FY05 RECURRING FUNDING SUMMARY    TABLE 12**  
**(dollars in thousands)**

*FY04 Recurring Base: \$644,997.6*

	LFC REC		CONF CMTE REC	
<b>Workload with Updates</b>		23,609.2		23,631.3
four-year net workload	11,894.0		11,894.0	
two-year net workload	11,494.7		11,532.4	
Taos Branch phase-in	165.1		165.1	
tuition waiver changes	0.0		0.0	
reduce non-formula adjustments	0.0		0.0	
extended services	0.0		0.0	
HSC base adj. w/ revision	17.2		1.6	
athletic scholarships	0.0		0.0	
miscellaneous adj.	38.2		38.2	
<b>Tuition Credit</b>	@ 3.5%	(5,494.6)	@ 4.0%	(6,279.6)
<b>Formula Issues</b>				
CA Amendment		(2,050.2)		(2,050.2)
L&P Fund Excess - NMIMT & UNM		980.1		980.1
Texas 135 tuition waiver		(2,050.1)		(1,050.1)
Library Inflation at UNMHSC		0.0		0.0
BR&R Enhancement for NMSU AES		0.0		100.0
Tuition credit for non-residents @ 2 yr inst.		(667.3)		(667.3)
NMJC - Insurance		(50.0)		(50.0)
<b>NMSD</b>		(3,393.3)		(2,893.3)
<b>Compensation</b>				
faculty	@ 1.0%	2,774.5	@ 2.0%	5,549.0
non-faculty	@ 1.0%	3,656.8	@ 2.0%	7,713.6
compensation total		6,431.3		13,262.6
<b>Special Projects Expansion</b>		(200.0)		620.7
UNM Carrie Tingley		0.0		0.0
UNM Pediatric Oncology		0.0		0.0
UNM Judicial Education Center	(200.0)		(200.0)	
UNM BBER			200.0	
UNM Morrissey Hall			10.0	
Special Project Cuts			(621.4)	
UNM MTTC			250.0	
UNM HSC Nurse Mid-wifery			50.0	
NMSU Athletics			125.0	
NMSU Ag. Experiment Station			250.0	
NMSU/NMDA Climatologist			100.0	
WNMU Sports			235.0	
NMIMT Science Fair			210.0	
NMIMT Homeland Security			12.1	
<b>Financial aid increase</b>		(8.1)		(8.1)
<b>Student Incentive Grant/Workstudy</b>		0.0		0.0
<b>CHE Operating</b>		(225.6)		10.4
<b>CHE Program Development Enhan.</b>		0.0		0.0
<b>CHE Adult Basic Education</b>		35.0		35.0
<b>NM Mesa</b>		(1.8)		(39.5)
<i>Technical adjustment</i>		0.0		0.0
<i>Change from FY04</i>		\$16,914.5		\$25,602.0
<b>Grand Total Higher Education</b>		<b>\$661,912.1</b>		<b>\$670,599.6</b>

**TABLE 13**  
**Page 1 of 6**

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

Agency/Institution/Program	FY03 (2002-2003)	FY04 (2003-2004)	FY05 (2004-2005)			
	BUDGET	BUDGET	LFC	Final	Dollar Change	Percent Change
<b>UNM</b>						
I&G	142,477.7	150,360.1	149,365.3	149,041.0	(1,319.1)	-0.9%
Athletics	2,637.8	2,662.0	2,662.0	2,662.0	(0.0)	0.0%
Educational Television	1,243.6	1,263.4	1,263.4	1,263.4	0.0	0.0%
Extended Services Inst.	1,587.7	0.0	-	0.0	0.0	
Gallup	7,509.8	7,532.9	8,328.2	8,317.6	784.7	10.4%
Gallup Extended Services	2.3	0.0	-	0.0	0.0	
Nursing Expansion	34.9	34.9	34.9	34.9	0.0	0.0%
Los Alamos	1,882.6	2,106.3	2,136.7	2,134.3	28.0	1.3%
Los Alamos Extended Services	93.0	0.0	-	0.0	0.0	
Valencia	4,024.8	4,090.3	4,335.3	4,329.5	239.2	5.8%
Valencia Extended Services	27.2	0.0	-	0.0	0.0	
Taos	1,174.8	1,380.8	1,902.2	1,898.4	517.6	37.5%
Judicial Selection	72.6	74.2	74.1	74.1	(0.1)	-0.1%
Judicial Education Center	283.6	288.7	88.7	88.7	(200.0)	-69.3%
Spanish Resource Center	109.9	110.1	110.1	110.1	(0.0)	0.0%
Southwest Research Center	1,197.9	1,309.6	1,309.5	1,244.1	(65.5)	-5.0%
Substance Abuse Program	164.5	160.2	160.2	152.2	(8.0)	-5.0%
Native American Intervention	206.8	200.6	200.5	190.5	(10.1)	-5.0%
Resource Geographic Info Sys	138.4	134.9	134.9	128.1	(6.8)	-5.0%
Natural Heritage Program	85.1	82.8	83.0	78.7	(4.1)	-5.0%
Southwest Indian Law Clinic	129.4	126.6	126.7	120.3	(6.3)	-5.0%
BBER-Census & Pop. Analysis	55.1	53.6	53.7	251.0	197.4	367.9%
New Mexico Historical Review	88.5	86.1	86.1	81.8	(4.3)	-5.0%
Ibero-American Ed. Consortium	177.8	173.3	173.3	164.6	(8.7)	-5.0%
Youth Educ. Recreation Prog.	151.8	147.5	147.5	140.1	(7.4)	-5.0%
Advanced Materials Research	72.9	71.2	71.2	67.6	(3.6)	-5.0%
Mfg. Engineering Prog.	425.8	413.5	413.5	642.8	229.3	55.4%
Office of Intl. Tech. Coop.	0.0	0.0	-	0.0	0.0	
Hispanic Student Center	128.8	128.8	128.8	122.4	(6.4)	-5.0%
Wildlife Law Education	53.4	76.8	76.9	73.0	(3.8)	-5.0%
Women's Career Development	23.3	22.7	22.8	21.6	(1.1)	-5.0%
Youth Leadership Development	82.3	78.7	78.7	74.8	(3.9)	-4.9%
Morrissey Hall Research	48.4	47.1	47.1	54.7	7.6	16.2%
Disabled Student Services	235.7	235.7	235.6	223.9	(11.8)	-5.0%
Minority Engr. Math & Science	184.4	0.0	-	0.0	0.0	
Min. Grad Recruit & Retention	172.9	172.9	172.9	164.3	(8.6)	-5.0%
Graduate Research Dev. Fund	99.8	94.8	94.8	90.1	(4.7)	-5.0%
Community Based Education	450.5	437.7	437.6	415.8	(21.9)	-5.0%
Corrine Wolfe Children's Law Center	0.0	50.0	50.0	47.5	(2.5)	-5.0%
Mock Trials Program	0.0	25.0	25.0	23.8	(1.2)	-4.8%
<b>UNM Total</b>	<b>167,535.8</b>	<b>174,233.9</b>	<b>174,631.3</b>	<b>174,527.7</b>	<b>293.8</b>	<b>0.2%</b>

HIGHER EDUCATION  
INSTITUTIONAL BUDGET SUMMARY  
(dollars in thousands)

Agency/Institution/Program	FY03 (2002-2003)	FY04 (2003-2004)	FY05 (2004-2005)			
	BUDGET	BUDGET	LFC	Final	Dollar Change	Percent Change
<b>Health Sciences Center</b>						
Medical School I & G	42,983.2	44,240.6	44,258.1	44,242.5	1.9	0.0%
Cancer Center	2,644.2	2,675.2	2,675.2	2,675.2	0.0	0.0%
Office of Medical Investigator	2,992.9	3,258.2	3,258.2	3,258.2	0.0	0.0%
EMS Academy	751.0	771.3	771.3	771.3	(0.0)	0.0%
Children's Psychiatric Hospital	4,878.3	5,187.8	5,187.9	5,187.9	0.1	0.0%
Hemophilia Program	519.7	528.2	528.2	528.2	0.0	0.0%
Carrie Tingley Hospital	3,695.4	3,883.6	3,883.6	3,883.6	0.0	0.0%
Out-of-County Indigent	1,307.7	1,242.3	1,242.4	1,242.4	0.1	0.0%
Specialized Perinatal Care	445.6	433.7	433.7	433.7	(0.0)	0.0%
Newborn Intensive Care	2,933.7	3,033.7	3,033.7	3,033.7	(0.0)	0.0%
Pediatric Oncology	192.9	588.6	588.7	588.7	0.1	0.0%
Young Children's Health Center	228.7	231.7	231.8	231.8	0.1	0.1%
Pediatric Pulmonary Program	181.5	178.1	178.1	178.1	(0.0)	0.0%
Health Resources Registry	0.0	0.0	-	0.0	0.0	
Area Health Education Centers	184.9	226.2	226.5	226.5	0.3	0.2%
Grief Intervention Program	160.3	157.0	157.0	157.0	0.1	0.0%
Pediatric Dysmorphology	141.7	138.5	138.5	138.5	(0.0)	0.0%
Locum Tenens	408.7	428.0	428.0	428.0	0.0	0.0%
Center for Disaster Medicine	100.8	98.8	98.8	98.8	(0.0)	0.0%
Poison Control Center	942.0	1,414.7	1,414.7	1,414.7	0.0	0.0%
Fetal Alcohol Study	168.8	163.9	163.9	163.9	0.0	0.0%
Telemedicine	281.3	423.5	423.5	423.5	0.0	0.0%
Nurse Mid-wifery	326.2	320.5	320.4	370.4	49.9	15.6%
Nursing Expansion	1,422.2	1,388.9	1,388.9	1,388.9	(0.0)	0.0%
Lung/Tobacco-rel. Res. & Clinical	0.0	1,000.0	1,000.0	1,000.0	0.0	0.0%
Genomics, Biocomp, & Env. Health	0.0	1,500.0	1,500.0	1,500.0	0.0	0.0%
Los Pasos Program	0.0	50.0	50.0	50.0	0.0	0.0%
Trauma Specialty Education	0.0	400.0	400.0	400.0	0.0	0.0%
Pediatrics Specialty Education	0.0	400.0	400.0	400.0	0.0	0.0%
<b>Health Sciences Total</b>	<b>67,891.6</b>	<b>74,362.9</b>	<b>74,381.2</b>	<b>74,415.6</b>	<b>52.7</b>	<b>0.1%</b>

HIGHER EDUCATION  
INSTITUTIONAL BUDGET SUMMARY  
(dollars in thousands)

Agency/Institution/Program	FY03 (2002-2003)	FY04 (2003-2004)	FY05 (2004-2005)			
	BUDGET	BUDGET	LFC	Final	Dollar Change	Percent Change
<b>NMSU</b>						
I&G	90,543.4	92,728.9	95,505.7	96,072.1	3,343.2	3.6%
Athletics	2,766.9	2,800.7	2,800.6	2,925.6	125.0	4.5%
Educational Television	1,100.2	1,123.1	1,123.1	1,123.1	0.0	0.0%
Extended Services Inst.	423.9	0.0			0.0	
Alamogordo	5,274.4	5,359.8	5,247.6	5,257.3	(102.5)	-1.9%
Nursing Expansion	27.9	27.9	28.0	28.0	0.1	0.4%
Carlsbad	3,019.4	3,017.4	3,251.1	3,247.0	229.6	7.6%
Nursing Expansion	34.9	34.9	35.0	35.0	0.1	0.3%
Dona Ana	11,354.1	12,139.1	12,923.6	12,908.3	769.2	6.3%
Nursing Expansion	104.8	104.8	104.9	104.9	0.1	0.1%
Grants	2,317.1	2,561.2	2,593.5	2,591.3	30.1	1.2%
Department of Agriculture	8,479.7	8,469.4	8,469.4	8,469.4	(0.0)	0.0%
Agricultural Experiment Station	11,413.9	12,093.4	12,093.4	12,543.4	450.0	3.7%
Cooperative Extension Service	9,135.0	9,521.1	9,521.1	9,521.1	0.0	0.0%
Water Resources Research	367.6	455.9	455.9	433.1	(22.8)	-5.0%
Coordination of Mexico Prog.	96.8	98.0	98.0	93.1	(4.9)	-5.0%
Indian Resources Development	375.1	380.2	380.3	380.3	0.1	0.0%
Mfg. Sector Development Program	417.1	405.1	405.1	384.9	(20.2)	-5.0%
Waste Mgmt. Ed./Res. Cons.	473.5	506.5	506.5	506.5	(0.0)	0.0%
Alliance for Underrep. Students	387.8	372.6	372.6	354.0	(18.6)	-5.0%
Campus Security	91.4	91.4	91.4	91.4	0.0	0.0%
Carlsbad Mfg. Sector Development	392.7	377.5	377.5	358.6	(18.9)	-5.0%
Nursing Expansion	419.2	419.2	419.2	419.2	0.0	0.0%
<b>NMSU Total</b>	<b>149,016.8</b>	<b>153,088.0</b>	<b>156,803.5</b>	<b>157,847.7</b>	<b>4,759.6</b>	<b>3.1%</b>
<b>NMHU</b>						
I&G	17,533.5	21,672.3	23,116.2	23,094.9	1,422.6	6.6%
Athletics	1,340.9	1,354.0	1,354.0	1,354.0	0.0	0.0%
Extended Services Inst.	1,973.3	0.0	-	0.0	0.0	
Visiting Scientist	19.3	18.6	18.7	17.7	(0.9)	-5.0%
Upward Bound	111.7	106.1	106.1	100.8	(5.3)	-5.0%
Advanced Placement	313.5	301.8	301.9	286.7	(15.1)	-5.0%
Native American Rec. & Ret.	45.6	45.6	45.5	43.3	(2.3)	-5.0%
Diverse Populations Study	221.6	224.5	224.5	213.3	(11.2)	-5.0%
<b>NMHU Total</b>	<b>21,559.6</b>	<b>23,723.1</b>	<b>25,166.9</b>	<b>25,110.7</b>	<b>1,387.7</b>	<b>5.8%</b>

HIGHER EDUCATION  
INSTITUTIONAL BUDGET SUMMARY  
(dollars in thousands)

Agency/Institution/Program	FY03 (2002-2003)	FY04 (2003-2004)	FY05 (2004-2005)			
	BUDGET	BUDGET	LFC	Final	Dollar Change	Percent Change
<b>WNMU</b>						
I&G	12,120.4	13,266.7	13,758.3	13,797.8	531.1	4.0%
Athletics	1,258.1	1,272.7	1,272.7	1,507.7	235.0	18.5%
Extended Services Inst.	750.1	0.0	-			
Child Development Center	348.7	598.7	598.7	568.8	(29.9)	-5.0%
NAFTA	17.0	16.2	16.2	15.3	(0.8)	-5.3%
Instructional Television	101.4	121.4	121.4	121.4	0.0	0.0%
Nursing Expansion	41.9	141.9	141.9	141.9	0.0	0.0%
<b>WNMU Total</b>	<b>14,637.6</b>	<b>15,417.6</b>	<b>15,909.2</b>	<b>16,152.9</b>	<b>735.3</b>	<b>4.8%</b>
<b>ENMU</b>						
I&G	19,760.0	20,886.0	21,111.1	21,269.3	383.3	1.8%
Athletics	1,412.1	1,626.7	1,626.7	1,626.7	0.0	0.0%
Educational Television	996.0	1,016.0	1,016.1	1,016.0	(0.0)	0.0%
Extended Services Inst.	682.6	0.0	-			
Roswell	9,587.3	10,475.8	11,795.7	11,785.0	1,309.2	12.5%
Nursing Expansion	69.9	69.9	69.9	69.9	0.0	0.0%
Extended Serv. Instr.-Roswell	538.1	0.0	-			
Ruidoso Off-Campus Center	531.9	777.2	748.9	747.6	(29.6)	-3.8%
Center for Teaching Excellence	261.2	271.6	271.6	258.1	(13.5)	-5.0%
Blackwater Draw Site & Mus.	95.6	92.8	92.8	88.2	(4.6)	-5.0%
Airframe Mechanics	74.9	74.9	74.9	71.2	(3.7)	-4.9%
Job Trng for Physically & Ment.	25.0	25.0	25.0	23.8	(1.2)	-4.8%
Assessment Project	141.8	137.7	137.7	130.8	(6.9)	-5.0%
Nursing Expansion	41.9	41.9	41.9	41.9	0.0	0.0%
Social Work	0.0	150.0	150.0	150.0	0.0	0.0%
<b>ENMU Total</b>	<b>34,218.3</b>	<b>35,645.6</b>	<b>37,162.3</b>	<b>37,278.5</b>	<b>1,632.9</b>	<b>4.6%</b>
<b>NMIMT</b>						
I&G	20,733.5	22,020.0	22,516.1	22,494.1	474.1	2.2%
Athletics	153.9	157.2	157.2	157.2	(0.0)	0.0%
Extended Services Inst.	81.3	0.0	-			
Geophysical Research Center	844.3	872.6	872.6	872.6	0.0	0.0%
Bureau of Mines	3,752.7	3,832.0	3,832.0	3,832.0	(0.0)	0.0%
Petroleum Recovery Research	1,709.1	1,926.2	1,926.2	1,926.2	0.0	0.0%
Bureau of Mine Inspection	284.4	290.1	290.1	290.1	0.0	0.0%
Energetic Materials Center	702.1	779.0	779.0	779.0	0.0	0.0%
Science Fair/Science Olympiad	108.3	114.7	114.6	319.0	204.3	178.2%
Homeland Security	249.5	241.7	241.7	241.7	(0.0)	0.0%
Cave & Karst Research	349.3	338.8	338.8	321.9	(16.9)	-5.0%
Institute for Complex Additive Sys Ana	323.2	530.3	530.3	530.3	(0.0)	0.0%
<b>NMIMT Total</b>	<b>29,291.6</b>	<b>31,102.6</b>	<b>31,598.5</b>	<b>31,764.0</b>	<b>661.4</b>	<b>2.1%</b>

HIGHER EDUCATION  
INSTITUTIONAL BUDGET SUMMARY  
(dollars in thousands)

Agency/Institution/Program	FY03 (2002-2003)	FY04 (2003-2004)	FY05 (2004-2005)			
	BUDGET	BUDGET	LFC	Final	Dollar Change	Percent Change
<b>NNMCC</b>						
I&G	7,402.4	7,921.4	8,051.4	8,045.4	124.0	1.6%
Extended Services Instruction	206.6	0.0				
Northern Pueblo's Institute	59.9	58.0	57.9	55.1	(2.9)	-5.0%
Nursing Expansion	27.9	27.9	27.9	27.9	0.0	0.0%
<b>NNMCC Total</b>	<b>7,696.8</b>	<b>8,007.3</b>	<b>8,137.2</b>	<b>8,128.4</b>	<b>121.1</b>	<b>1.5%</b>
<b>SFCC</b>						
I&G	7,399.4	7,941.9	8,781.1	8,772.4	830.5	10.5%
Small Business Devlpt. Centers	2,944.2	3,399.7	3,399.7	3,229.7	(170.0)	-5.0%
Working To Learn	49.7	0.0	-			
Sign Language Services	21.2	21.2	21.3	20.1	(1.1)	-5.2%
Nursing Expansion	34.9	34.9	34.9	34.9	0.0	0.0%
<b>SFCC Total</b>	<b>10,449.5</b>	<b>11,397.7</b>	<b>12,237.0</b>	<b>12,057.1</b>	<b>659.4</b>	<b>5.8%</b>
<b>ATVI</b>						
I&G	36,151.0	40,917.5	43,026.0	42,954.7	2,037.2	5.0%
<b>ATVI Total</b>	<b>36,151.0</b>	<b>40,917.5</b>	<b>43,026.0</b>	<b>42,954.7</b>	<b>2,037.2</b>	<b>5.0%</b>
<b>LVT</b>						
I&G	6,174.2	6,162.7	6,563.1	6,559.9	397.2	6.4%
Nursing Expansion	34.9	34.9	34.9	34.9	0.0	0.0%
<b>LVT Total</b>	<b>6,209.1</b>	<b>6,197.6</b>	<b>6,598.0</b>	<b>6,594.8</b>	<b>397.2</b>	<b>6.4%</b>
<b>MTC</b>						
I&G	2,164.2	2,238.2	2,285.5	2,284.1	45.9	2.1%
Extended Services Instruction	26.0	0.0	-			
<b>MTC Total</b>	<b>2,190.3</b>	<b>2,238.2</b>	<b>2,285.5</b>	<b>2,284.1</b>	<b>45.9</b>	<b>2.1%</b>
<b>NMJC</b>						
I&G	7,167.2	7,615.3	7,660.0	7,677.4	62.1	0.8%
Extended Services Instruction	139.1	0.0	-	0.0		
Athletics	34.5	34.5	34.5	34.5	(0.0)	-0.1%
Nursing Expansion	69.9	69.9	69.9	69.9	0.0	0.0%
<b>NMJC Total</b>	<b>7,410.7</b>	<b>7,719.7</b>	<b>7,764.4</b>	<b>7,781.8</b>	<b>62.1</b>	<b>0.8%</b>
<b>SJC</b>						
I&G	14,494.1	15,640.1	18,045.8	18,030.9	2,390.8	15.3%
Extended Services Instruction	(16.1)	0.0	-			
Dental Hygiene	200.1	200.1	200.1	190.1	(10.0)	-5.0%
Nursing Expansion	134.7	334.7	334.7	334.7	0.0	0.0%
Oil and Gas Job Training Program		100.0	100.0	95.0	(5.0)	-5.0%
<b>SJC Total</b>	<b>14,812.9</b>	<b>16,274.9</b>	<b>18,680.6</b>	<b>18,650.7</b>	<b>2,375.8</b>	<b>14.6%</b>

HIGHER EDUCATION  
INSTITUTIONAL BUDGET SUMMARY  
(dollars in thousands)

Agency/Institution/Program	FY03 (2002-2003)	FY04 (2003-2004)	FY05 (2004-2005)			
	BUDGET	BUDGET	LFC	Final	Dollar Change	Percent Change
<b>CCC</b>						
I&G	8,954.1	9,208.4	9,230.4	9,222.8	14.4	0.2%
Extended Services Instruction	71.9	0.0	-			
Nursing Expansion	69.9	69.9	69.9	69.9	0.0	0.0%
<b>CCC Total</b>	<b>9,095.8</b>	<b>9,278.3</b>	<b>9,300.3</b>	<b>9,292.7</b>	<b>14.4</b>	<b>0.2%</b>
<b>Four-Year/Two-Year Total</b>	<b>578,167.2</b>	<b>609,604.7</b>	<b>623,681.7</b>	<b>624,841.4</b>	<b>15,236.7</b>	<b>2.5%</b>
<b>NMMI</b>						
I&G	0.0	0.0	-	0.0	0.0	
<b>NMMI Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	
<b>NMSVH</b>						
I&G	0.0	11.5	11.5	11.5	0.0	0.0%
<b>NMSVH Total</b>	<b>0.0</b>	<b>11.5</b>	<b>11.5</b>	<b>11.5</b>	<b>0.0</b>	<b>0.0%</b>
<b>NM School For The Deaf</b>						
I&G	3,174.9	3,393.3	-	500.0	(2,893.3)	-85.3%
<b>School for the Deaf Total</b>	<b>3,174.9</b>	<b>3,393.3</b>	<b>0.0</b>	<b>500.0</b>	<b>(2,893.3)</b>	<b>-85.3%</b>
<b>Special School GF Total</b>	<b>3,174.9</b>	<b>3,404.8</b>	<b>11.5</b>	<b>511.5</b>	<b>(2,893.3)</b>	<b>-85.0%</b>
<b>Commission on Higher Education</b>						
CHE Operating	1,506.1	1,681.5	1,455.9	1,691.9	10.4	0.6%
CHE Adult Basic Education		5,000.0	5,035.0	5,035.0	35.0	0.7%
CHE Financial Aid	21,202.7	22,202.7	22,194.6	22,194.6	(8.1)	0.0%
CHE High Skills		300.0	300.0	300.0	0.0	0.0%
CHE Nursing		2,000.0	-	0.0	(2,000.0)	-100.0%
NM MESA, Inc.	791.7	753.9	752.1	714.4	(39.5)	-5.2%
Contract to Train Dentists in NM	50.0	50.0	50.0	50.0	0.0	0.0%
Program Enhancement Fund	0.0	0.0	2,000.0	2,000.0	2,000.0	
Workforce Training Fund	0.0	0.0	-	0.0	0.0	
<b>CHE Total</b>	<b>23,550.5</b>	<b>31,988.1</b>	<b>31,787.6</b>	<b>31,985.9</b>	<b>(2.2)</b>	<b>0.0%</b>
<b>COMPENSATION</b>	<b>0.0</b>	<b>0.0</b>	<b>6,431.3</b>	<b>13,262.6</b>		
<b>HIGHER EDUCATION TOTAL</b>	<b>604,892.7</b>	<b>644,997.6</b>	<b>661,912.1</b>	<b>670,601.4</b>	<b>25,603.8</b>	<b>4.0%</b>

Specials/New Initiatives, Supplementals, and Deficiencies

No. Code	Agency	Description	Fiscal Year	LFC R/N	Governor's Action				
					General Fund	Other State Funds	ISF/IAT	Federal Funds	Total
<b>SECTION 5 - SPECIALS / NEW PROGRAM INITIATIVE APPROPRIATIONS:</b>									
1	111 Legislative Council Service	Legislative share of XML database	FY04	N	-	150.0	-	-	150.0
2	218 Administrative Office of the Courts	Warrant enforcement	FY04	N	-	500.0	-	-	500.0
3	254 Fourth Judicial District Attorney	For prosecution of the Santa Rosa Prison Riot cases	FY04	N	530.0	-	-	-	530.0
4	333 Taxation and Revenue Department	Revenue enhancement initiative	FY04	N	2,300.0	-	-	-	2,300.0
5	333 Taxation and Revenue Department	Reform motor vehicle fee agent contracts	FY04	N	230.0	-	-	-	230.0
6	333 Taxation and Revenue Department	Collect past due fines	FY04	N	381.2	-	-	-	381.2
7	Department of Finance	Department of Finance	FY04	R	700.0	-	-	-	700.0
8	341 and Administration	To improve administration of capital outlay program	FY04	N	50.0	-	-	-	50.0
9	341 and Administration	Magnifico (downtown contemporary art exhibit)	FY04	N	100.0	-	-	-	100.0
10	341 and Administration	Mentorship	FY04	N	200.0	-	-	-	200.0
11	341 and Administration	Statewide food bank	FY04	N	300.0	-	-	-	300.0
12	341 and Administration	International Science Fair	FY04	N	800.0	-	-	-	800.0
13	341 and Administration	Weatherization	FY04	N	4,900.0	-	-	-	4,900.0
14	350 General Services Department	Compliance with Lewis case	FY04	R	1,000.0	-	-	-	1,000.0
15	354 New Mexico Sentencing Commission	Energy cost savings retrofits	FY04	N	300.0	-	-	-	300.0
16	355 Public Defender Department	Funding to support sex offender legislation	FY04	N	870.0	-	-	-	870.0
17	370 Office of the Secretary of State	For defense of the Santa Rosa Prison Riot cases	FY04	N	800.0	-	-	-	800.0
18	370 Office of the Secretary of State	Voting Machine Fund	FY04	N	50.0	-	-	-	50.0
19	418 Tourism Department	Voter awareness and literacy among young adults							
20	419 Economic Development Department	For cooperative advertising; \$250.0 is contingent on maximizing advertising efforts with the Economic Development Department, the Department of Cultural Affairs, and the Energy, Minerals and Natural Resources Department - State Parks Division and reporting the results to LFC by May 1, 2004	FY04	N	1,300.0	-	-	-	1,300.0
21	419 Economic Development Department	Development training fund (in-plant training)	FY04	N	6,000.0	-	-	-	6,000.0
22	419 Economic Development Department	Border governors conference	FY04	N	100.0	-	-	-	100.0
23	419 Economic Development Department	For the X-prize project space vehicle air show and competition contingent on New Mexico being awarded the project	FY04	N	-	5,000.0	-	-	5,000.0
24	419 Economic Development Department	Manufacturing extension	FY04	N	300.0	-	-	-	300.0
25	419 Economic Development Department	To evaluate the most appropriate use of the Fort Stanton facility	FY04	N	50.0	-	-	-	50.0
26	419 Economic Development Department	Pilot expansion of business marketing and recruitment	FY04	N	500.0	-	-	-	500.0
27	419 and the Office of Homeland Security	Hydrogen and fuel cell technologies development	FY04	N	200.0	-	-	-	200.0
28	420 Regulation and Licensing Department	Military base planning	FY04	N	250.0	-	-	-	250.0
29	430 Public Regulation Commission	Server training	FY04	N	100.0	-	-	-	100.0
30	465 Gaming Control Board	State fire marshal's office to conduct a needs assessment per LFC fire protection fund audit recommendation	FY04	N	250.0	-	-	-	250.0
31	490 and Administration	GSCB computer monitoring system	FY04	N	500.0	-	-	-	500.0
32	505 Office of Cultural Affairs	Cumbres and Toltec scenic railroad operating expenses	FY04	N	800.0	-	-	-	800.0
33	505 Office of Cultural Affairs	Bosque Redondo memorial monument	FY04	N	50.0	-	-	-	50.0
34	505 Office of Cultural Affairs	Volunteer coordinator for the farm and ranch museum	FY04	N	50.0	-	-	-	50.0
		Funding for the Albuquerque Symphony to travel and perform in Mexico	FY04	N	20.0	-	-	-	20.0

No. Code	Agency	Description	Fiscal Year	LFC R/N	Governor's Action				
					General Fund	Other State Funds	ISF/IAT	Federal Funds	Total
		To address operating costs at new and expanding facilities including the Roy E. Disney Center, Bosque Redondo, and Camino Real. Includes \$50 thousand for the J. Paul Taylor Memorial at Mesilla Plaza for fire and security systems and \$50 thousand for the Museum of Natural History for Sandia Mountain Center	FY04	R	500.0	400.0	-	-	900.0
35	505 Office of Cultural Affairs		FY04	R	200.0	-	-	-	200.0
36	505 Office of Cultural Affairs	Statewide literacy	FY04	R	700.0	-	-	-	700.0
37	508 Livestock Board	Mad cow disease inspection initiative	FY04	R	-	-	75.0	-	75.0
38	516 Department of Game and Fish	Bernardo bird refuge - from the game protection fund	FY04	N	-	-	-	-	-
39	521 Resources Department	Energy, Minerals and Natural Resources	FY04	N	1,810.0	-	-	-	1,810.0
40	521 Resources Department	Energy, Minerals and Natural Resources	FY04	N	1,700.0	-	-	-	1,700.0
41	521 Resources Department	Energy, Minerals and Natural Resources	FY04	N	500.0	-	-	-	500.0
42	539 Commissioner of Public Lands	Renewable energy, energy efficiency, and alternative fuel grants	FY04	N	-	1,700.0	-	-	1,700.0
43	550 Office of the State Engineer	From the state lands maintenance fund for asset inventory, forest health and other necessary remediation projects for state trust lands, royalty recovery litigation costs, and preservation and protection of state trust water assets in administrative and judicial forums	FY04	R	200.0	-	-	-	200.0
44	550 Office of the State Engineer	Watermasters--Statewide	FY04	R	925.0	-	-	700.0	1,625.0
45	550 Office of the State Engineer	Compliance with federal mandates in the Pecos River Basin	FY04	R	1,300.0	-	-	-	1,300.0
46	550 Office of the State Engineer	Lower Rio Grande and Pecos adjudication	FY04	R	175.7	-	-	-	175.7
47	550 Office of the State Engineer	Pecos River Supreme Court decree	FY04	R	200.0	-	-	-	200.0
48	550 Office of the State Engineer	Planning and communications	FY04	N	-	-	100.0	-	100.0
49	550 Office of the State Engineer	Eagle Nest Dam and Reservoir operations	FY04	N	1,310.0	-	390.0	-	1,700.0
50	550 Office of the State Engineer	From the general fund and agency transfers-in for WATERS for data entry	FY04	N	20,000.0	-	-	-	20,000.0
51	630 Human Services Department	Purchase of land and water rights on the Pecos River basin - contingent on repeal of House Bill 451 and contingent on settling the law suit	FY04	R	608.9	-	-	-	608.9
52	665 Department of Health	Medicaid fraud detection initiative	FY04	R	200.0	-	-	-	200.0
53	665 Department of Health	Additional AIDS medication purchases	FY04	R	100.0	-	-	-	100.0
54	690 Department	Programs for children with cancer	FY04	N	1,667.7	-	-	-	1,667.7
55	690 Department	Children, Youth, and Families	FY04	N	500.0	-	-	-	500.0
56	770 Corrections Department	Domestic violence shelters	FY04	R	600.0	-	-	-	600.0
57	790 Public Safety Department	Sexual offender impact on corrections - treatment programs only	FY04	N	40.0	-	-	-	40.0
58	790 Public Safety Department	Crime lab equipment	FY04	N	225.0	-	-	-	225.0
59	790 Public Safety Department	Reduce crime lab DNA backlog - related to sexual offenses	FY04	N	150.0	-	-	-	150.0
60	790 Public Safety Department	Reduce crime lab DNA backlog	FY04	N	200.0	-	-	-	200.0
61	924 Public Education Department	Reduce criminal background check backlog	FY04	N	200.0	-	-	-	200.0
62	924 Public Education Department	Adult GED initiative	FY04	N	350.0	-	-	-	350.0
63	924 Public Education Department	Bullying prevention initiative	FY04	N	475.0	-	-	-	475.0
64	924 Public Education Department	Charter school expanded services	FY04	N	200.0	-	-	-	200.0
65	924 Public Education Department	Dropout prevention program	FY04	N	113.6	-	-	-	113.6
66	924 Public Education Department	Education Support (1 FTE)	FY04	N	47.6	-	-	-	47.6
67	924 Public Education Department	Education Preparation: Three-tier licensure support	FY04	N	200.0	-	-	-	200.0
68	924 Public Education Department	Family school readiness program initiative	FY04	N	50.0	-	-	-	50.0
69	924 Public Education Department	Governor's commission on teaching	FY04	N	113.6	-	-	-	113.6
70	924 Public Education Department	Indian Education (1 FTE)	FY04	N	113.6	-	-	-	113.6
71	924 Public Education Department	Information technology education reform support (1 FTE)	FY04	N	200.0	-	-	-	200.0
72	924 Public Education Department	Math and science standard based education technology	FY04	N	100.0	-	-	-	100.0
73	924 Public Education Department	Middle college dropout initiative	FY04	N	140.0	-	-	-	140.0
74	924 Public Education Department	New teacher licensing support	FY04	N	300.0	-	-	-	300.0
75	924 Public Education Department	Rural education initiatives	FY04	N	113.6	-	-	-	113.6

No. Code	Agency	Description	Fiscal Year	LFC R/N	Governor's Action				Total
					General Fund	Other State Funds	ISF/IAT	Federal Funds	
76	924 Public Education Department	Rural school advance placement acceleration program	FY04	N	100.0	-	-	-	100.0
77	924 Public Education Department	School district and PED quality assurance and district interface (1 FTE)	FY04	N	113.6	-	-	-	113.6
78	924 Public Education Department	Student assessment	FY04	N	385.5	-	-	-	385.5
79	924 Public Education Department	Student assessment criterion reference testing - state-level costs	FY04	N	350.0	-	-	-	350.0
80	924 Public Education Department	Truancy initiative	FY04	N	500.0	-	-	-	500.0
81	924 Public Education Department	Vocational high school model	FY04	N	225.0	-	-	-	225.0
82	924 Public Education Department	Instructional material fund	FY04	N	1,500.0	-	-	-	1,500.0
83	924 Public Education Department	NCES Chart of accounts implementation	FY04	N	1,800.0	-	-	-	1,800.0
84	924 Public Education Department	Professional development fund with language - \$900.0 for re:learning and \$500.0 for SQS and balance for other programs	FY04	N	2,400.0	-	-	-	2,400.0
85	924 Public Education Department	School library fund	FY04	N	1,000.0	-	-	-	1,000.0
86	924 Public Education Department	State student identification number system	FY04	N	93.0	-	-	-	93.0
87	924 Public Education Department	Three-tiered licensure evaluation system implementation system	FY04	N	1,000.0	-	-	-	1,000.0
88	924 Public Education Department	Public Education Department computers	FY04	N	200.0	-	-	-	200.0
89	924 Public Education Department	Public Education Department data system per LFC audit	FY04	N	500.0	-	-	-	500.0
90	924 Public Education Department	NM Border superintendent leadership institute (SB 93)	FY04	N	200.0	-	-	-	200.0
91	924 Public Education Department	Magnet career academy	FY04	N	200.0	-	-	-	200.0
92	924 Public Education Department	National Dance Institute	FY04	N	100.0	-	-	-	100.0
93	950 Commission on Higher Education	Program development enhancement fund for nursing and teachers in FY05	FY05	N	1,300.0	-	-	-	1,300.0
94	950 Commission on Higher Education	For high skills training in FY05	FY05	N	300.0	-	-	-	300.0
95	950 Commission on Higher Education	Gear up	FY04	N	100.0	-	-	-	100.0
96	952 University of New Mexico	Pediatric outreach to address children's health issues	FY05	N	900.0	-	-	-	900.0
97	952 University of New Mexico	For 10 multi-media computers for pediatric oncology patients who are hospitalized for childhood cancer treatment	FY04	N	35.0	-	-	-	35.0
98	952 University of New Mexico	Anderson school of management - economic development	FY04	N	100.0	-	-	-	100.0
99	952 University of New Mexico	American Indian research	FY04	N	100.0	-	-	-	100.0
100	952 University of New Mexico	Native American health center	FY04	N	300.0	-	-	-	300.0
101	952 University of New Mexico	Create cochlear implant surgery center	FY04	N	50.0	-	-	-	50.0
102	952 University of New Mexico	Border project for a sustainable management plan for the Rio Grande /Rio Bravo basin	FY04	N	150.0	-	-	-	150.0
103	952 University of New Mexico	For Hepatitis C medication	FY05	N	900.0	-	-	-	900.0
104	952 University of New Mexico	For cancer camp	FY04	N	100.0	-	-	-	100.0
105	954 New Mexico State University	Aerospace curriculum development	FY04	N	200.0	-	-	-	200.0
106	954 New Mexico State University	Revegetation of native species	FY04	N	2,400.0	-	-	-	2,400.0
107	954 New Mexico State University	Non-native phreatophyte eradication	FY04	N	2,400.0	-	-	-	2,400.0
108	956 New Mexico Highlands University	Spanish Program	FY05	N	250.0	-	-	-	250.0
109	962 Technology	Observatory improvements	FY04	N	500.0	-	-	-	500.0
110	Computer Systems Enhancement Fund	For 20 information technology systems projects	FY04	N	13,850.0	-	-	-	13,850.0
<b>SECTION 5 TOTAL:</b>					<b>95,112.60</b>	<b>7,750.0</b>	<b>565.0</b>	<b>700.0</b>	<b>104,127.6</b>

<b>SECTION 6 - SUPPLEMENTAL AND DEFICIENCY APPROPRIATIONS:</b>									
1	205 Supreme Court Law Library	Personal services and employee benefit shortfall	FY04	R	19.8	-	-	-	19.8
2	210 Judicial Standards Commission	Operating expense shortfall including salaries and benefits	FY04	R	25.0	-	-	-	25.0
3	216 Supreme Court	Personal services and employee benefit shortfall	FY04	R	24.0	-	-	-	24.0
4	218 Administrative Office of the Courts	Shortfall in jury demand fees; mileage rate increase; juror and interpreter payments	FY04	R	300.0	-	-	-	300.0
5	239 Ninth Judicial District Court	Domestic violence hearing officer contract and file/intake clerk contract	FY04	R	15.0	-	-	-	15.0
6	265 Eleventh Judicial District Attorney, II	Expert witness fee shortfall	FY04	N	20.0	-	-	-	20.0
7	350 General Services Department	Maintenance costs and personnel for operation of the governor's residence	FY04	R	231.4	-	-	-	231.4
8	394 Office of the State Treasurer	Building lease shortfall	FY04	R	168.3	-	-	-	168.3

No. Code	Agency	Description	Fiscal Year	LFC R/N	Governor's Action				
					General Fund	Other State Funds	ISF/IAT	Federal Funds	Total
9	430 Public Regulation Commission	From non-reverting agent surcharges for personal services and employee benefit shortfall	FY04	R	-	400.0	-	-	400.0
10	505 Office of Cultural Affairs	For Department of Cultural Affairs projects based on agency prioritization	FY04	R	200.0	-	-	-	200.0
11	604 Hard of Hearing Commission for the Deaf and	Sign language and real-time captioning services	FY04	R	20.0	-	-	-	20.0
12	630 Human Services Department	From the general fund, federal funds, and \$800.0 TANF funds for shortfall in	FY04	R	950.0	-	-	2,050.0	3,000.0
13	630 Human Services Department	From federal TANF funds for payment of outstanding expenditures related to	FY04	N	-	-	-	3,600.0	3,600.0
14	631 New Mexico Labor Department	From the general fund and federal Reed Act grant for salary shortfall; loss of revenue due to federal reductions in the Workforce Investment Act (WIA); and shortfall in the Unemployment Insurance division	FY04	N	286.0	-	-	2,569.1	2,855.1
15	647 Planning Council	Additional funding for guardianship contracts	FY04	R	200.0	-	-	-	200.0
16	665 Department of Health	For receivership, contingent upon all other funds appropriated for this purpose being expended as certified by the Department of Finance and Administration	FY04	N	300.0	-	-	-	300.0
17	665 Department of Health	Technical adjustment from Laws 2003, Section 4, Department of Health, Item (2) - from "department of finance and administration balances in the county-supported Medicaid fund" to "department of health account for receipts from the county-supported Medicaid fund"	FY04	N	-	1,500.0	-	-	1,500.0
18	670 Department of Veterans' Services	Personal services and employee benefit shortfall	FY04	N	30.0	-	-	-	30.0
19	690 Department	Restore FY03 level of funding for adult day care and adult home care	FY04	R	800.0	-	-	-	800.0
20	705 Department of Military Affairs	Funding for maintenance and repair backlog; rising natural gas utility costs; and required fire suppression and riser maintenance costs	FY04	R	25.0	-	-	-	25.0
21	924 Public Education Department	Personal services, employee benefits, operating expenses, and contractual services	FY04	R	730.0	-	-	-	730.0
22	924 Public Education Department	Student testing for No Child Left Behind requirements	FY04	N	810.0	-	-	-	810.0
<b>SECTION 6 TOTAL:</b>					<b>5,154.5</b>	<b>1,900.0</b>	<b>-</b>	<b>8,219.1</b>	<b>15,273.6</b>
<b>TOTAL NEW INITIATIVE, SUPPLEMENTAL AND DEFICIENCY:</b>					<b>100,267.1</b>	<b>9,650.0</b>	<b>565.0</b>	<b>8,919.1</b>	<b>119,401.2</b>

<b>SECTION 5 APPROPRIATIONS:</b>									
Recurring		2004	10,909.6	400.0	-	700.0	-	-	12,009.6
		2005	-	-	-	-	-	-	-
Nonrecurring		2004	80,553.0	7,350.0	565.0	-	-	-	88,468.0
		2005	3,650.0	-	-	-	-	-	3,650.0
<b>SECTION 6 APPROPRIATIONS:</b>									
Recurring		2004	3,708.5	400.0	-	2,050.0	-	-	6,158.5
		2005	-	-	-	-	-	-	-
Nonrecurring		2004	1,446.0	1,500.0	-	6,169.1	-	-	9,115.1

Some agencies, such as PRC and the State Land Office, requested items that were not recommended by LFC or the executive.

Data Processing Appropriations-Section 8

No. Code	Agency	General Fund	Other State Funds	Federal Funds	Total	Description
1	218 Administrative Office of the Courts		750.0		750.0	Magistrate court video arraignment project.
2	218 Administrative Office of the Courts		700.0		700.0	Replacing computer equipment for the New Mexico judiciary information systems.
3	264 Administrative Office of the District Attorneys		300.0		300.0	Complete the implementation of a statewide case management system.
5	341 Department of Finance and Administration					Reauthorize 2003 appropriation for oil and natural gas administration revenue database through end of FY05
6	341 Department of Finance and Administration		1,200.0	800.0	2,000.0	Electronic Document Management System
7	341 Department of Finance and Administration		1,000.0		1,000.0	Statewide IT Consolidation Plan
8	341 Department of Finance and Administration		700.0		700.0	Statewide IT Security Strategic Program
9	341 Department of Finance and Administration		300.0		300.0	Statewide IT Architecture Plan
10	341 Department of Finance and Administration		150.0		150.0	MAGPortal
11	341 Department of Finance and Administration		2,000.0		2,000.0	MAGNet
12	341 Department of Finance and Administration		1,100.0		1,100.0	Consolidated State Email System (CSES)
14	341 Department of Finance and Administration					Reauthorize 2001 appropriation for an immunization information system through end of FY05
15	341 Department of Finance and Administration					Reauthorize 2003 appropriation for federal Health Insurance Portability and Accountability Act through end of FY05
16	352 Educational Retirement Board		750.0		750.0	Integrated Retirement Information (Pension) System
19	430 Public Regulations Commission					Reauthorize 2003 appropriation to replace insurance management information system through end of FY05
20	460 State Fair Commission		350.0		350.0	Wireless Wide Area Network
22	624 State Agency on Aging					Reauthorize 2002 appropriation to computer hardware and software for planning service areas and senior citizens centers through end of FY05
23	630 Human Services Department		300.0	2,400.0	2,700.0	Surveillance and Utilization Review System (SURS)
25	630 Human Services Department					Reauthorize 2003 appropriation for medical assistance program for computer system enhancements through end of FY05 to enable federal Health Insurance Portability and Accountability Act through end of FY05
27	665 Department of Health		1,000.0		1,000.0	E-Birth and E-Death Systems Project
28	665 Department of Health					Reauthorize 2003 appropriation for integrated client data system through end of FY05
29	770 Department of Corrections		400.0		400.0	CMIS & Infrastructure & Application Enhancement
30	790 Department of Public Safety					Reauthorize 2003 appropriation to stabilize the agency computer network through end of FY05
<b>Total Appropriations Signed</b>					<b>11,000.0</b>	<b>14,200.0</b>
<b>Veto by Governor</b>						
4	333 Taxation and Revenue Department		1,000.0		1,000.0	Integrated Tax Rollout 5 - Fuel Tax
13	341 Department of Finance and Administration		200.0	100.0	300.0	Justice Information Sharing (JIS) Project
17	420 Regulation & Licensing Department		500.0		500.0	Licensing and Credentialing Web Portal (LCWP)
18	430 Public Regulations Commission		500.0		500.0	Corp Electronic Registration & Tracking
21	465 Gaming Control Board		2,000.0		2,000.0	Central Monitoring System (CMS)
24	630 Human Services Department		500.0	1,000.0	1,500.0	ISD2 Replace and Virtual One Stop
26	631 Department of Labor			300.0	300.0	Training Funds for MIS Support
<b>Total Appropriations Vetoed</b>					<b>4,700.0</b>	<b>6,100.0</b>
<b>Total Appropriations Submitted</b>					<b>15,700.0</b>	<b>20,300.0</b>

TABLE 16

**2004 Major Capital Outlay Projects**

<b>Chapter 126 (HTRCS/HB 293, as amended)</b>	
Agency on Aging statewide projects (meals, vehicles, center renovations, etc.)	\$7,972,864
New Initiatives (energy technology, commuter rails, match/water projects, etc.)	\$42,781,000
American statewide projects Native	\$13,168,500
Museum, monument and other cultural property renovations statewide	\$7,328,857
Water & wastewater supply projects, dam repairs, acequia repairs, surveys, etc.	\$32,343,000
State match funds for the Wastewater Facility Construction Loan Act	\$1,500,000
Statewide microwave radio system	\$5,000,000
Statewide public building renovations, equipment, etc.	\$44,541,500
Public school capital projects	\$66,177,231
Higher education and special schools (renovations and equipment)	\$39,915,759
Road improvements statewide	\$36,695,107
Local projects statewide (parks, health facilities, emergency equipment, etc.)	\$81,964,470
<b>Chapter 117 (HTRCS/HB 294, as amended)</b>	
Senior Citizen Center renovations and equipment statewide	\$5,965,801
Higher education and special school's infrastructure and renovations	\$94,534,199
Public school kindergarten facilities	\$5,000,000
Library Acquisitions	\$16,200,000
<b>Chapter 125 (SFCS/SB 399, as amended)</b>	
Public school continuation projects	\$57,000,000
Support for leasing classroom space for schools, including charter schools	\$4,000,000

**PUBLIC EMPLOYEE COMPENSATION: FY05**

General Fund Cost  
(Dollars in Thousands)

<u>STATE EMPLOYEES:</u>	Eff. July 1, 2004	Percent
Legislative	206.0	2
Justices/Judges	997.4	6
Judicial Employees	1,175.2	2
Elected District Attorneys	30.6	2
District Attorney Employees	715.2	2
Executive Classified (54% split)	9,100.6	2
Executive Exempt (68% split)	780.4	2
State Police	1,550.0	5
Executive Exempt Teachers	<u>179.6</u>	2
<b>Total</b>	<b>14,735.0</b>	
<u>PUBLIC SCHOOLS:</u>		
Teachers	19,276.2	2
Other Cert./Non-Cert.Pers	7,991.6	2
Instructional Staff	3,531.0	2
Transportation employees	<u>840.4</u>	2
<b>Total</b>	<b>31,639.2</b>	
<u>HIGHER EDUCATION:</u>		
Faculty	5,949.0	2
Staff	<u>7,313.6</u>	2
<b>Total</b>	<b>13,262.6</b>	
<b>TOTAL SALARY</b>	<b>59,636.8</b>	

Compensation increases includes salary increases, FICA, retirement, and retiree healthcare.

\*

Appropriations for compensation increases are in section 9 of the General Appropriation Act except for State Police which were included in Section 4 in the DPS budget and Public Schools Employees which were included in Section 4 in the Public Education Department Budget.

Enacted Legislation

TABLE 18  
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Bill Number	Title	Sponsor	Chapter
HB 1	Feed Bill	Picraux	1
HB 2	General Appropriation Act of 2004	Coll	114
HB 14	Legislative Employee PERA Contributions	Lujan, B	2
HB 19	Corrective Action Fund Expenditures	Lundstrom	88
HB 24	Mid-Size Telecommunication Carrier Regulation	Heaton	3
HB 25	Affordable Housing Act	Lujan, B	104
HB 34	Aging & Long-Term Services Department Act	Salazar	23
HB 39	Indian Affairs Department Act	Madalena	24
HB 84	Nonparticipating Tobacco Manufactures	Beam	90
HB 88	Mandate 340B Drug Pricing Program	Picraux	47
HB 92	Cultural Affairs Department Act	Taylor, JP	25
HB 96	Public Education Department Act	Stewart	27
HB 100	Drinking Water State Revolving Loan Funds	Taylor, JG	91
HB 106	Enforcement of Habitual Truancy	Swisstack	28
HB 111	Addition of Substances to Drug Precursor List	Swisstack	9
HB 112	Drug Manufacturing as Child Abuse	Swisstack	11
HB 124	NMFA Public Project Revolving Fund Loans	Silva	61
HB 142	NMSU Off-Campus Facility Repairs	Moore	6
HB 158	School District Cash Balance Calculation	Miera	60
HB 175	MVD Cleanup & Federally Required Provision	Taylor, TC	59
HB 186	Deaf Children's Educational Bill of Rights	Silva	107
HB 187	Telecom Access Act Administration Transfer	Varela	106
HB 200	Water & Wastewater Project Fund Grants	Varela	83
HB 203	Amend Organic Commodity Act	Stell	64
HB 205	Increase NM Livestock Board Fee Limits	Stell	26
HB 231	Regional Transit Gross Receipts Imposition	Beam	17
HB 234	State Aviation Fund Distributions	Rodella	58
HB 239	Procurement Code Exemptions	Varela	62
HB 240	Create Insurance Operations Fund	Varela	5
HB 251	Advanced Energy Technology Development Act	Salazar	55
HB 254	Immunization Act	Beam	45
HB 271	Behavioral Health Planning Council	Sandoval	46
HB 277	Clarify Sexual Discrimination Provisions	Beam	115
HB 293	Capital Outlay Projects	Sandoval	126
HB 294	2004 GO Bond Act	Sandoval	117
HB 304	Educational Assistant Licensing & Salaries	Miera	30
HB 322	Secretary of Health Hospital Oversight	Picraux	44
HB 376	Amend Small Counties Assistance Act	Campos	105
HB 387	Small Business Investment Council Definitions	Salazar	57
HB 388	Use of Neighborhood Electric Cars on Streets	Silva	7
HB 436	National Cave & Karst Research Institute	Heaton	33
HB 451	State Employee Group Insurance Contributions	Varela	82
HB 468	Medicaid False Claims Act	Varela	49
HB 471	Contractor & Subcontractor Registration	Taylor, JG	89
HB 487	Penalties for Providing Alcohol to Minors	Taylor, JG	43
HB 522	High School Graduation Next-Step Plans	Stapleton	29
HB 541	Horse Racing Track Applicant Background Check	Park	56
HB 545	Replacement Labor Dept. Building Fund	Lujan, B	63

**Enacted Legislation**

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HB 581	New Mexico Telehealth Act	Picraux	48
HB 625	Food & Medical Services Gross Receipts	Lujan, B	116
HJM-1	John L. Morrow Memorial Highway	Moore	
HJM-2	Adopt Water-Efficient Appliance Provision	Stell	
HJM-5	Develop NM Recycling Plan	Wallace	
HJM-7	Designate US 60 as National Historic Highway	Tripp	
HJM-8	Study Virtual Anatomy Instead of Dissection	Stewart	
HJM-17	After-Hours School Site Work Safety	Zanetti	
HJM-18	Study Testing Students in Their Home Language	Zanetti	
HJM-20	Reform Energy Employee Work Illness Program	Ruiz	
HJM-23	Albuquerque Area Indian Health Service Funds	Begaye	
HJM-24	Study Establishment of Veterans Cemeteries	Lujan, B	
HJM-25	Business Professions of America Program	Vigil	
HJM-37	Funding Sources for Landscape Protection	Coll	
HJM-38	Require Early Intervention Services Insurance	Cordova	
HJM-39	Career Technical Education Study	Stapleton	
HJM-40	Federal Defense Appropriation Bill Passage	Ogle	
HJM-47	New Mexico Mesa Day	Rodella	
HJM-48	Care of Assistance Animals in Emergencies	Boykin	
HJM-53	Parolee Reintegration Task Force	Martinez	
HJM-55	Agua Fria Village Water Rights Status	Trujillo	
HJM-58	Colin McMillan, In Memory	Foley	
HJM-59	Work with Southern Pueblos Council	Madalena	
HJM-60	Convert State Property for Drug Treatment	Ogle	
HJM-61	Methamphetamine Lab Closure Protocol	Ogle	
HJM-63	Notification of Actions Affecting Acequias	Salazar	
HJM-65	"Kids--New Mexico's Number One Priority"	Miera	
HJM-72	Committee to Study Uninsured Motorist Issues	Martinez	
HJM-73	DWI Memorial of Perpetual Tears	King	
HJM-74	Recognizing Bataan Veterans Courage	Gonzales	
HJM-77	Care of Children Found in Meth Labs	Beam	
HJM-80	Northwest NM Alcohol Abuse Prevention	Harrison	
HJM-84	Elimination of Food Insecurity in New Mexico	Lujan, B	
HJM-85	Passage of Federal Men's Health Act	Marquardt	
HJM-86	Representative George E. Fetting, In Memory	Marquardt	
HJM-93	Cumbres & Toltec as National Scenic Railway	Lujan, B	
HJR-5	Change Visually Handicapped School Name, CA	Marquadt	
HJR-12	Sale of State-Owned Labor Department Property	Varela	
SB 23	"Governmental Gross Receipts" Definition	Aragon	69
SB 28	High-Wage Jobs Tax Credit	Maes	15
SB 30	Workers Comp Ombudsman Employment	Leavell	118
SB 34	Develop Comprehensive Strategic Health Plan	Lopez	51
SB 40	Hazardous Material Endorsement Checks	Snyder	78
SB 43	Public Utility Renewable Energy Rules	Maes	65
SB 48	Child Support Enforcement Changes	Aragon	41
SB 51	Prohibit Certain Animal Euthanasia Practices	Romero	35
SB 53	Amend Small Cities Assistance Act	Fidel	112
SB 66	Escrow Fund Quarterly Deposit Requirements	Garcia	103
SB 73	Cancer Clinical Trial Patient Coverage	Feldman	70

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SB 74	Workers Comp Assessments & Distribution	Rawson	36
SB 86	No Excise Tax on Fuel-Efficient Vehicles	Cisneros	66
SB 87	Create Acequia Project Fund	Cisneros	85
SB 88	Expand County Gross Receipts Tax Authority	Cisneros	110
SB 100	Unemployment Claims Adjudication	Altamirano	93
SB 109	Indigent Outpatient Reimbursement Criteria	Jennings	94
SB 114	Gas Tax Proceed Distributions	Griego	109
SB 125	Natural Resource Trustee Fund Appropriations	Feldman	120
SB 138	Change Writing Test for Certain Grades	Nava	31
SB 142	Land Grant Boards of Trustees Revisions	Sanchez, B	124
SB 144	DWI Amendment Reconciliation	Romero	42
SB 149	Issuance of Substitute Teacher Certificates	Nava	92
SB 152	NM Securities Act Reporting Requirements	Maes	79
SB 160	Addition of Substances to Drug Precursor List	Romero	12
SB 161	Drug Manufacturing as Child Abuse	Romero	10
SB 163	Northern NM State School Teacher Program	Martinez	84
SB 164	Veterans' Services Department Act	Martinez	19
SB 170	Pipeline Safety Fund & Inspections	Griego	80
SB 177	Governor's Commission on Disability	Aragon	20
SB 181	National Guard Member Rights & Benefits	Papen	37
SB 184	Public Property Amendment Reconciliation	Aragon	95
SB 186	Governor's Council on Film & Media	Garcia	8
SB 189	Amend Convention Center Fee Exemptions	Garcia	98
SB 201	Public Project Revolving Fund Authorizations	Aragon	102
SB 206	Deaf Children's Educational Bill of Rights	Nava	111
SB 213	Use of Funds Recovered From Medicaid Fraud	Altamirano	54
SB 215	Dept. of Transportation Property Sales	Smith	77
SB 219	Public Accountant Qualifications	Jennings	34
SB 222	Chief Judges' Salaries	Snyder	101
SB 225	Boat Act Violations & Penalties	Rainaldi	76
SB 226	Use of Neighborhood Electric Cars on Streets	Ingle	96
SB 228	Home Loan Protection Act Claims	Aragon	13
SB 236	Convention Center Fee Changes	Griego	97
SB 248	Behavioral Health Capital Funding Act	Papen	71
SB 254	Earned Meritorious Deductions for Parolees	Sanchez, M	45
SB 257	Workforce Development Board Representation	Martinez	21
SB 258	Interest Rates on Utility Deposits	Cisneros	100
SB 301	Livestock Water Tank Regulation	Altamirano	86
SB 313	Permission for Produced Water Disposal	Cisneros	87
SB 315	Secretary of Health Hospital Oversight	Smith	50
SB 316	Permanent Fund Investments in Real Estate	Smith	14
SB 326	Purchase Land with Proceeds from Other Sales	Kidd	67
SB 332	Acquisition of State Office Buildings	Fidel	123
SB 333	Military Base Retention	Romero	16
SB 356	Sanitary Livestock Water Facilities	Leavell	121
SB 363	Racetrack Finances & Leases	Aragon	119
SB 364	Indian Affairs Department Act	Tsosie	18
SB 369	Ex Parte Communications with PRC Staff	Griego	81
SB 381	Children's Trust Fund Income	Altamirano	74
SB 385	Health Facility Daily Bed Surcharge	Aragon	4
SB 399	Omnibus Public School Capital Outlay Bill	Nava	125
SB 401	Patient Care Monitoring Act	Sanchez, M	53

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SB 421	Repeal Obsolete Public Money Statutes	Campos	73
SB 426	Amend Public Employee Retirement Act	Altamirano	68
SB 436	Nursing Home & Care Facility Tax Credits	Jennings	99
SB 471	Bilingual Education Program Accountability	Tsosie	32
SB 499	Clarify Parent & Child Intestate Inheritance	Sanchez, M	72
SB 502	Health Insurance Coverage Requirements	Jennings	122
SB 518	Revenues For County General Health Purposes	Martinez	113
SB 536	Revise Pharmaceutical Business License Fees	Papen	52
SB 558	Expand Use of Liens of Lottery Winnings	Altamirano	40
SB 561	Accountability in Government Act Changes	Altamirano	39
SB 563	Payments for Probation and Parole Services	Rawson	38
SB 581	Amend Liquor Control Act	Nava	22
SB 625	Tort Claims Post Judgment Interest	Ingle	108
SJM-9	Study School Nurse Delivery of Health Care	Nava	
SJM-10	State Ownership of Former Land Grant Lands	Martinez	
SJM-11	Dept. of Transportation & Land Grant Trustees	Martinez	
SJM-12	Develop NM Forest Health Plan	Cisneros	
SJM-13	Cultural & Linguistic Health Care Issues	Sanchez, B	
SJM-20	Continue Land Grant Interim Committee	Sanchez, B	
SJM-26	After-Hours Behavioral Health Services	Beffort	
SJM-27	Remission of Compulsive Gambling Funds	Komadina	
SJM-34	Political Status of Puerto Rico	Romero	
SJM-46	Open Ghost Ranch Piedra Lumbre Visitor Center	Martinez	
SJM-62	Involve Water Rights Settlement Stakeholders	Kysar	
SJR-3	Eagle Nest Lake Area Property Transfer	Cisneros	
SJR-5	Sale of Cottonwood-Walnut Creek Property	Kidd	
SJR-11	Colfax Veterans Memorial as a State Park	Romero	