

TASK FORCE ENDED — MINUTES NOT APPROVED

**Minutes
of the
Tenth Meeting
of the
Government Restructuring Task Force
Room 307, State Capitol
December 20, 2010**

The tenth meeting of the government restructuring task force (GRTF) was called to order by Senator Tim Eichenberg, chairman, at 10:15 a.m. on December 20, 2010 in Room 307, State Capitol.

Present were:

Sen. Tim Eichenberg, Chairman
Rep. Patricia A. Lundstrom, Vice Chairwoman
Mr. Patrick Baca
Rep. Paul C. Bandy
Sec.-Designate Dannette Burch
Rep. Keith J. Gardner
Mr. John Gasparich
Dr. Dan Lopez
Sen. Linda M. Lopez
Ms. Michelle Lujan Grisham
Rep. Rick Miera
Sen. Steven P. Neville
Mr. Jim O'Neill
Mr. David Ortiz
Sen. John Arthur Smith
Rep. Luciano "Lucky" Varela

Absent were:

Sen. William H. Payne

Advisory members:

Sen. Carlos R. Cisneros
Sen. Lynda M. Lovejoy
Rep. James Roger Madalena
Rep. Jeannette O. Wallace

Sen. Mary Jane M. Garcia
Rep. Joni Marie Gutierrez
Sen. Stuart Ingle
Rep. Al Park

Guest Legislator:

Sen. Timothy Z. Jennings

Staff:

Jonelle Maison, Senior Bill Drafter, Legislative Council Service (LCS)
Kim Bannerman, Bill Drafter, LCS
Leslie Porter, Research Assistant, LCS
Cathy Fernandez, Assistant Director, Legislative Finance Committee (LFC)
David Harrell, Assistant Director, Legislative Education Study Committee (LESC)
David Hadwiger, Department of Finance and Administration (DFA)
Tim Karpoff, Meeting Facilitator

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Minutes Approval

Minutes of the ninth meeting were approved. Because the task force will not meet again this year, the minutes for this meeting will not be approved by the task force.

Copies of all presentations and handouts are in the meeting file. Minutes of the eighth meeting of the task force were approved.

Draft Legislation

Bill Draft .183305.2: Establishing the Health Administration and Finance Consolidation Act

Michael Hely, LCS staff attorney and drafter of the bill, pointed out Section 8 on page 23: the independent body for health research that re-created the New Mexico health policy commission as an adjunct agency. Ms. Grisham pointed out that the bill did not include the task force's earlier idea to combine waivers in one department. She asked why the legislative health and human services committee had not endorsed the bill. Mr. Hely demurred from speaking for the committee or characterizing its actions. Ms. Grisham made the following points: (1) the state should integrate its long-term care services first; (2) the legislation will make health care very cumbersome for consumers; and (3) this proposal was not endorsed by the legislative health and human services committee. Ms. Grisham recalled that the committee analyzed long-term integration first, due to the challenges of providing those services. Ms. Grisham made a motion *not* to transfer the long-term care services and keep those services with the aging and long-term services department. Alternately, she would like a study of the transfer conducted for next interim. Senator Eichenberg seconded the motion for the purpose of discussion. Representative Varela expressed concern about the staff level remaining if long-term services are removed from the coordination of long-term services (COLTS) program. Ms. Grisham said it is a large program and joint administration is not desirable. Brent Earnest, LFC fiscal analyst, said COLTS is jointly administered currently. Senator Eichenberg said the task force should not be nitpicking the bill at this point. Representative Miera questioned that point, saying the conversation seemed to be about a major aspect of the bill. Ms. Grisham said the discussion is a major policy issue because this health care financing proposal is beyond what has been done in the past. Mr. O'Neill remarked that the bill provides for a two-step process and asked for clarification on what occurs in each step. Mr. Hely explained that on July 1, 2011, the transfer of medical assistance occurs and studies of the feasibility of transferring the developmental disabilities waiver and removing managed care from the equation that places the contracts with the providers directly will be conducted. Recommendations will be made on how to transfer the interagency benefits advisory committee agencies. The work force database will also be done in 2011.

The statute under which the task force was created requires a majority of legislative members to pass any motion. Ms. Grisham's motion died, with Ms. Grisham, Representatives Miera and Bandy and Senator Lopez voting in favor. The motion to endorse passed, with the same members opposed. Senator Lopez noted that Ms. Grisham's points are important ones, and she believes there would be much discussion and many amendments, but the bill is a step in the right direction. The bill will be carried by Senator Lopez.

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Bill Draft .18722.5: Reorganizing the department of public safety

This draft was updated to include the necessary sunset and repeal provisions relative to task force decisions concerning boards and commissions.

Representative Varela asked what would happen to affected cabinet secretaries if this legislation goes into effect. Senator Eichenberg said he appreciates the concern, but the task force's charge is to right-size government by consolidating and eliminating cabinet positions. Senator Lopez said she hopes that Governor-Elect Susanna Martinez would make appointments with communication from the task force. Senator Eichenberg said he is interested to see the new administration's proposals for right-sizing government. Representative Lundstrom said the task force has to move forward on its work and needs to collaborate with the new administration.

Representative Lundstrom moved for adoption of the bill; Mr. O'Neill seconded the motion. Senator Lopez voted no. The bill will be carried by Representative Varela.

Bill Draft .182878.3: Reorganizing the energy, minerals and natural resources department (EMNRD)

Ms. Bannerman explained that the draft repeals the state game commission; moves the department of game and fish into EMNRD as a division; the several attached boards have sunset provisions; and the mining safety board is not included with the mining commission. On motion by Representative Lundstrom, seconded by Mr. O'Neill, the bill was endorsed by the task force. Representative Lundstrom is the sponsor.

Bill Draft .183544.2: Reorganizing the department of environment (DOE)

Ms. Bannerman said there are two main points to the bill. The first relates to the medical imaging and therapy advisory council, which licenses health professionals that deal with medical imaging. This draft bill transfers that authority to the department of health (DOH), which may mean an increase in full-time employees and budget for that purpose. Second, the draft bill removes the water quality control commission's rulemaking authority and transfers it to DOE and alters the membership, as recommended by the boards and commissions subcommittee. She added that the rulemaking authority is given to a single entity instead of diverse groups of people and added that DOE is a constituent agency that is regulated by the water quality control commission, which may be problematic. Senator Neville moved for endorsement of the draft legislation. Representative Lundstrom seconded the motion. The motion carried, with Senator Lopez and Mr. O'Neill voting in the negative. Senator Neville is the sponsor.

Ms. Maison began the discussion on the boards and commissions. At its last meeting, the task force had removed several items for further analysis and discussion, and those are highlighted in yellow on the spreadsheet provided to the task force. A few boards and commissions were highlighted in green, which were those that staff thought should be reconsidered.

For number 13, the construction industries commission, the question was one of rulemaking. After discussion, Mr. O'Neill moved, and Senator Eichenberg seconded, that rulemaking be given to the regulation and licensing department. The motion carried. A sponsor was not named.

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Numbers 14 and 36, the economic development and tourism commissions, which are combined in the commerce bill, were highlighted in green for task force consideration about how effective economic development and tourism planning is currently and whether there are ways to make it more effective.

Number 16, the industrial training board, was highlighted in green because the task force had discussed the item previously but had not taken action. She said the board is the body that parcels out in-plant training, and the question is whether the duty should be moved to an alternate entity. Dr. Lopez said the job training incentive program (JTIP) functions of the board are federal. By consensus, the task force agreed to leave the board as it is.

Number 18, the manufactured housing committee, was similar to the construction industries commission. Mr. O'Neill moved, and Representative Varela seconded, that rulemaking be given to the regulation and licensing department. The motion carried. A sponsor was not named.

Number 32, the cultural properties review committee, was highlighted in yellow for further analysis at the last meeting. Representative Bandy said the reason the subcommittee had voted to make the committee policymaking, but have its policy implemented by the department, is that it takes too long to get permits from the committee. After a brief discussion, Representative Bandy moved, and Representative Lundstrom seconded, that the law be amended accordingly. The motion passed. Representative Bandy will carry the bill.

Number 39, the state library commission, was highlighted from last meeting. On motion from Dr. Lopez, seconded by Representative Varela, the commission was recommended for repeal.

Numbers 65, 66 and 67, the Hispanic education advisory council, Indian education advisory council and mathematics and science advisory council, were highlighted for discussion. After discussion, the original motion, to keep 53 and 54 as they are, failed on a 4-3 legislative vote. The second motion, by Mr. O'Neill, seconded by Representative Lundstrom, to couple 54 with 95 and 155, passed. Representative Bandy moved to eliminate 53 and 55, which was seconded by Senator Neville. That motion failed, with Representatives Lundstrom, Miera and Varela and Senators Eichenberg and Lopez voting no. On a motion from Representative Lundstrom, seconded by Representative Miera, the elimination of 55 passed.

Number 58, the public school insurance authority board of directors, number 62, the emergency response commission, and number 64, the fire planning task force, were left as is.

Number 63, the environmental improvement board, was changed to advisory, with rulemaking given to DOE on motion of Representative Bandy, seconded by Representative Gardner. Senator Eichenberg voted in the negative.

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Number 70, the mining safety board, was highlighted by staff. An earlier consideration would have moved the board to the mining commission. After brief discussion, the board was left as is on motion of Representative Lundstrom, seconded by Dr. Lopez.

Number 81, the water quality control commission, was highlighted by staff as needing a final decision. Mr. Ortiz moved the LFC recommendation, which removed rulemaking and changed membership. The motion was seconded by Representative Bandy and passed.

Numbers 96 and 97, the information technology commission and rate committee, were left as is because the bill to eliminate the department of information technology was not endorsed by the task force.

Number 113, the adult support and services task force, was left as is because the task force staff was told it is federally required.

Number 118, the brain injury advisory council, was highlighted for further review. After discussion, Mr. O'Neill moved, and Representative Bandy seconded, that the council be eliminated, with duties to the department (in this case, the developmental disabilities planning council). Mr. Ortiz, Ms. Grisham and Senator Lopez voted in the negative.

Numbers 157 and 158, the commission on the status of women and the governor's council on the office of women's health, were left as is on motion of Representative Varela, seconded by Representative Miera. Representative Bandy voted in the negative.

Number 167, the New Mexico renewable energy transmission authority, had been highlighted for further consideration. Since bonds have been issued, on a motion of Representative Lundstrom, seconded by Representative Varela, the task force agreed to leave the authority as is.

Number 190, the naprapathic practice board, is the only professional board the task force considered because of an adverse recommendation by LFC. At its last meeting, the task force had voted to keep the board as it exists currently. Representative Gardner asked if the board was self-sufficient. Ms. Maison said it was.

Number 236, the sex offender management board, was left as is on motion of Representative Lundstrom, seconded by Mr. O'Neill.

Numbers 236 and 238, the athletic commission and its medical advisory board, were considered for repeal, with the regulation and licensing department being responsible for licensing professional sports events. On a motion by Mr. O'Neill, seconded by Senator Eichenberg, the task force agreed.

Number 243, the highway selection committee, remains as is on a passed motion of Representative Lundstrom, seconded by Mr. O'Neill.

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Number 245, the off-highway motor vehicle advisory board, was highlighted for further discussion. Mr. O'Neill made a motion to eliminate the board, which Representative Bandy seconded. After discussion, that motion was substituted for a motion made by Senator Eichenberg, seconded by Representative Miera, to keep the board as is. The motion passed.

Ms. Maison noted that the day's actions might result in additional bills and she will check with the chairman and vice chairwoman for sponsors. The boards and commissions repeal bill will be carried by Senator Lovejoy.

Education Bills

Representative Miera said that LESC is still preparing its recommendations, but the measure it is considering for small school size adjustments, including the elimination of units for schools occupying the same facility and the cap on size adjustments, should total approximately \$10 million in savings. The committee does not support transferring financial oversight from the public education department to DFA; rather, it supports moving that function to the state auditor. Mr. Gasparich brought up the LESC's ideas about educational retirement board solvency. Representative Miera said the retirement systems solvency task force is also looking at the issue, and LESC would consider that task force's recommendations when making its own. Mr. Gasparich reminded the task force that if legislative action is not taken, the employer/employee swap will expire in six months. After further discussion on these and other public school items, Representative Miera reminded the task force that it had agreed to defer to LESC on recommendations.

Ms. Maison said Representative Bandy had asked that GRTF consider bill draft .183190.1, allowing school districts to keep their cash balances. The task force agreed to let Representative Bandy sponsor that bill as task force-endorsed.

Sponsors for Endorsed Legislation

- ★ Commerce department — Representative Lundstrom and Senator Cisneros
- ★ EMNRD-game and fish — Representative Lundstrom
- ★ DOE changes — Senator Neville
- ★ Health Policy and Finance Consolidation Act — Senator Lopez
- ★ School district cash balances retention — Representative Bandy
- ★ Organic Production Act — Representative Bandy
- ★ Legislative Lottery Tuition Act — Senator Payne
- ★ Boards and commissions repeal — Senator Lovejoy
- ★ Task force continuation — Representative Varela
- ★ DFA and general services department — Representative Varela
- ★ Constitutional amendment to eliminate the public regulation commission — Senator Lovejoy
- ★ Constitutional amendment to eliminate the public education commission and delete specific language about duties of the secretary of public education — Representative Miera
- ★ DPS and homeland security — Representative Varela
- ★ Gaming Control and Racing Act — Senator Neville
- ★ Administrative services provided to administratively attached agencies — Senator Eichenberg
- ★ Administrative Hearings Act — Senator Eichenberg

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- ★ Limit positions exempt from Personnel Act — Representative Varela
- ★ Report executive salaries in HB 2 — Senator Lopez
- ★ Review exempt and classified positions — Representative Lundstrom
- ★ Per diem and mileage consistency — Senator Eichenberg
- ★ Sunset bill — Representative Bandy
- ★ Constitutional amendment to allow the legislature to overturn a rule — Senator Neville

Ms. Maison asked if the task force would permit her to work with Senator Eichenberg and Representative Lundstrom on the final report. Representative Bandy asked for a summary of each endorsed bill in the report. On a personal note, Ms. Maison said that the government restructuring task force had been her last interim committee, and this her last committee meeting as a staffer for LCS, and she had enjoyed working with the members during the interim.

Public Comment

Tom Sullivan, director of the coalition of school administrators, stated that his concern was relieved by the tables presented by Representative Miera. In response to Mr. Ortiz's question during the representative's presentation, he said many districts are already receiving emergency supplemental funding. He said that Hagerman was viewed as 37% underfunded with an 18% additional hit, and Dulce was rated as 46% underfunded in 2009 and is now faced with another reduction. He added that the small school size adjustments were rationally developed and not done in a vacuum. He recommended that the task force or LESC should request an external independent study prior to proposing any legislative changes to the formula.

Yvonne Abeyta said Alex Abeyta, Jr. helped to create the governor's commission on disability, and she asked that the commission be retained. She said the commission is the agency that focuses not on one disability but on *all* disabilities. Jim Parker, director of the commission, clarified that discrimination against individuals with disabilities is something dealt with on a daily basis. He explained that building plan reviews for the state are a major aspect of what the commission does. Another person, name unrecorded, spoke in favor of the commission, saying the commission had been very helpful with obstacles he has met relative to his service dog.

Nancy Lofland, executive director of the music commission, explained that her commission consists of one staff person and \$120,000. She has 15 volunteers who organize events such as the Gathering of Nations. She said in five years, the commission has developed an extensive referral network. She mentioned a television series that features New Mexico musicians. Disney studios shot a musical here after visiting. The Austin, Texas, music industry is a multi-billion dollar industry, and New Mexico can be similar.

There being no further business, the task force adjourned its final meeting at 2:50 p.m.