

2003 POST-SESSION FISCAL REVIEW

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May 13, 2003

Dear Fellow Legislators,

For eight years, New Mexico lawmaking was marked by the difficult and unproductive relationship between the executive and legislative branches of government. Many legislators anticipated the session of 2003 with high hopes the divisiveness was behind us. Undoubtedly, that proved to be true. Working together, the Legislature and the executive enacted bold tax cuts, took the first steps toward revived public school reform, and created innovative incentives for new and growing businesses, among many other important initiatives.

This document is a review of the fiscal impact of the Legislature's action during the regular session of 2003. 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.

The regular session of 2003 reminds us that accomplishment is won with common goals and thoughtful leadership. Still, as legislators, we must not forget that many of the accomplishments of 2003 were highlights in just the latest chapter of the Legislature's long-standing commitment to improve education, health care, and public safety.

I want to thank Representative Varela and all members of the 2002 LFC for the agency analysis and recommendations that contributed to the successful 2003 session. I also want to thank the staff of the Legislative Finance Committee for putting together this report. Despite a complicated transition and an ambitious agenda, the committee staff once again performed effectively and professionally. This report is another demonstration of the invaluable service they provide to the citizens of the state of New Mexico.

Sincerely,

A handwritten signature in dark ink, reading "Ben D. Altamirano".

Senator Ben Altamirano
Chairman

BA/sb

INTRODUCTION

The economic lethargy that started with the crash of the dot-coms several years ago continued in 2002, leaving most states facing the choice of staggering program cuts, unpopular tax increases, or both. But not New Mexico. Protected by strong natural gas and oil prices, a diverse tax structure, and years of responsible budget packages, New Mexico was in the rare and enviable position of being able to choose not which programs to cut, but which programs to grow.

Into this arena walked a new governor elected with a decisive majority and carrying an imposing agenda. With a legislative body anxious for change already on stage, the results were impressive: substantial income tax cuts; the groundwork for restructuring public school management; the return of collective bargaining for state employees; and a budget that includes significant pay increases for teachers, implements funding reform for higher education, and covers the growth in Medicaid while anticipating reform. For the first time in many years, both the executive and the Legislature ended the session with a sense of accomplishment. Nonetheless, built with nonrecurring sources of income and somewhat reliant on hazy economic prospects and the uncertain result of increased tax audit efforts, the 2003 spending plan could prove to be controversial in the future.

This report includes a review of some of the major accomplishments of 2003 session and a summary of state revenue and budgets.

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I. SESSION HIGHLIGHTS

Tax Reduction. While most other states faced fiscal shortfalls, the New Mexico Legislature approved substantial tax-cut legislation. House Bill 167 (Chapter 2) increases capital gains tax deductions and decreases marginal personal income tax rates from 8.2 to 4.9 percent over a five-year period. This act will save New Mexico taxpayers more than \$900 million over five years and make personal income tax rates competitive with neighboring states.

Executive Reorganization. House Bill 585 (Chapter 403) authorizes the governor to elevate four executive agencies to cabinet status by executive order. The agencies are as follows:

- State Agency on Aging to the Aging and Long-Term Care Department
- Office of Cultural Affairs to the Cultural Affairs Department
- Office of Indian Affairs to the Indian Affairs Department, and
- Veterans' Service Commission to the Veterans' Service Department.

In creating the Aging and Long-Term Care Department, the executive may transfer functions, personnel, appropriations, records, files, furniture, equipment and supplies from the Children, Youth and Families Department, the Department of Health and the Human Services Department to the new department as specified in the executive order. The other agencies will continue current functions but as cabinet-level agencies. To complete the process, the Legislature must approve legislation authorizing the reorganization during the Second Session of the Forty-Sixth Legislature.

Land Grant Permanent Fund for Public Education. Under Senate Joint Resolution 6, voters will be asked to amend the New Mexico Constitution to increase the annual distribution from the land grant permanent fund to the public schools. If approved, the distribution would increase from 4.7 percent to 5.8 percent from FY05 to FY12 and to 5.5 percent from FY13 to FY16; thereafter, the distribution would be 5 percent. The revenue generated by the increase in the distributions designated for educational reform is expected to total approximately \$60 million per year. Voter approval is required at the next general election.

Three-Tiered Teacher License Structure. House Bill 212 (Chapter 153) provides \$5.7 million to implement the first phase of a new three-tiered licensure system and implementation of a minimum annual salary of \$30,000 for beginning teachers. As stated by the superintendent of public instruction, "The licensure framework for teachers is a progressive career system in which licensees are required to demonstrate increased competencies and undertake increased duties as they progress through the licensure levels."

Public Employee Bargaining Act. House Bill 508 (Chapter 4) enacts the Public Employee Bargaining Act guaranteeing public employees the statutory right to bargain collectively with their employers for wages, work hours, and all other terms and conditions of employment. A board will administer the act, and the statute delineates board authority, defines the rights of public employers and employees, prohibits strikes and lock-outs, defines appropriate bargaining units, outlines procedures for union representation elections, establishes the scope of bargaining, mandates impasse resolution procedures, defines prohibited practices and grants judicial enforcement authority.

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Local DWI Grant Fund Performance Audit and Program Evaluation. Legislators introduced more than 35 bills related to DWI during the session due, at least in part, to several high-profile DWI-related traffic fatalities in 2002. Five bills were enacted and two have fiscal impacts.

The first, House Bill 190 (Chapter 213), substantially amends the Local DWI Grant Act to expand the program's scope and to improve its administration. Local DWI grants may now be used for programs to reduce drug abuse, drug addiction, and domestic violence related to alcohol or drug abuse. The law requires 65 percent of statewide grant funds be used for treatment programs and allows local governments to use money in the Local DWI Grant Fund for drug courts. Some of the amendments, such as increasing the amount of the Local DWI Grant Fund that the Department of Finance and Administration (DFA) can use for administrative purposes from \$100,000 to \$600,000, were made in response to a recent LFC audit. The new resources will allow DFA to institute an outside evaluation of the program and to hire four new staff, including a performance monitor.

The second, Senate Bill 266 (Chapter 92), amends the Ignition Interlock Device Fund. The fund was created to receive fees from ignition interlock device providers to cover the costs of these devices for indigent DWI offenders. The fund is administered by the DFA Local Government Division. There was concern over delays in establishing a sufficient balance in the fund to pay the interlock providers for their services to the indigent. In response to this concern, DFA received a special appropriation of \$300,000 from the Local DWI Grant Fund to "seed" the fund until revenue from device providers is received on a regular basis.

Health Care Insurance Costs. Double digit increases in health benefit costs continue to impact public and private sector budgets. For 2003, the Segal Company is predicting increases of approximately 14 percent for health care plans. In New Mexico, three state agencies currently administer health care plans for more than 135,000 state and municipal employees, teachers and retirees. Under the General Appropriation Act of 2003, the Retiree Health Care Authority, General Services Department and Public School Insurance Authority receive an FY04 budget increase of \$49 million for benefits programs, an average increase of approximately 11 percent. The impact of this budget increase is reflected in higher benefit plan premiums for both employers and employees for FY04. With double digit cost growth expected in the out-years, the state must explore cost-containment options.

Actuarial Soundness of Public Liability Insurance Fund. The Legislature adopted the administration proposal to reduce the FY04 public liability risk insurance premiums charged by the General Services Department to state agencies to offset increased costs of employee benefits. This rate reduction of approximately \$10 million was achieved by reducing public liability insurance reserves. Although a substantial cash balance remains in the fund, a recent actuarial study predicts a negative fund balance within a few years based on future claims payments. To avoid a deficit situation, the state will have to reduce future costs (i.e., claims) or raise premiums.

Initiatives To Address Nurse Shortage. The Legislature passed a number of bills to help address the shortage of nurses in New Mexico. Senate Bill 186 (Chapter 307) authorizes the state to enter into an interstate compact for nursing licensure with 14 other states, including Texas, Arizona and

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Utah. This compact allows nurses licensed in any compact state to practice in all of the member states, which will help New Mexico by eliminating licensing delays for nurses relocating. Senate Bill 632 (Chapter 332) establishes a medication aides trial program for licensed nursing facilities. Allowing certified medication aides to deliver medication will free up licensed nurses to perform other vital nursing services to patients. House Bill 528 (Chapter 282) establishes a medication aide trial program to formally train school personnel to administer medication to students under the supervision of registered nurses. The Legislature also appropriated \$100,000 for the Center of Nursing Excellence. In addition, the Legislature continued the efforts of the past couple years to appropriate funds to public, post-secondary institutions to address statewide nursing workforce needs. Senate Bill 655 (Chapter 83) includes \$2 million to expand nursing programs in FY03 and provides appropriations for other nursing special projects in FY04.

Statewide Water Plan. The Legislature approved House Bill 260 (Chapter 131) and Senate Bill 195 (Chapter 137) requiring the Office of the State Engineer (OSE), Water Trust Board (WTB) and Interstate Stream Commission (ISC) to develop a statewide water plan to manage this critical natural resource. Previously, the emphasis was on regional plans from 16 districts. This effort lacked the integration piece to ensure that the plans effectively used available water. The state water plan is to include: 1) work plans and strategies for the completion of water rights adjudications and support efforts, 2) creation of a comprehensive database and electronically accessible information system, 3) measuring surface and ground water uses, and 4) inventorying water wells and determination of disposition of unused wells. In addition, OSE, WTB and ISC shall consult directly with the governments of Indian nations, tribes and pueblos to integrate water plans and formulate a process for final adjudication of Indian water rights.

Medicaid Reform Committee Recommendations. Senate Bill 338 (Chapter 315) enacts the 24 recommendations of the Medicaid Reform Committee (MRC) and the General Appropriation Act requires the Human Services Department to implement the recommendations of the MRC. Depending on a variety of variables, the potential general fund savings range from \$8.5 million to \$22.5 million. Assessing an annual insurance premium on certain Medicaid recipients would provide the greatest individual item savings - approximately \$2.4 million to \$6 million.

Prescription Drug Benefit for Seniors. Senate Bill 391 (Chapter 34) and House Bill 402 (Chapter 278) are duplicates that create a prescription drug benefit for seniors through a Medicaid waiver process. Eligible individuals include: 1) those whose incomes are less than 185 percent of the federal poverty level and age 65 or older, or 2) those who have been determined to be disabled under the criteria established under the federal Social Security Administration. Implementation is subject to the availability of state funds and the fiscal impact is estimated at over \$12 million.

Services for the Developmentally Disabled. House Bill 416 (Chapter 280) transfers the guardianship program from the Attorney General to the Developmental Disabilities Planning Council. The majority of individuals in the guardianship program have developmental disabilities and the Legislature determined that a more responsive program would result via the transfer.

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Child and Adult Services. The Legislature continued to place emphasis on child and adult services provided by the Children, Youth and Families Department (CYFD). Senate Bill 752 (Chapter 338) clarifies agency responsibilities and is the first change to the enabling statute since the agency was created in 1992. It requires CYFD to develop priorities based on national best practice standards and local considerations. As well, it allows CYFD to integrate service delivery and to contract across divisions and related agencies to ensure best service delivery to children. CYFD will have lead responsibility among departments for children's mental health and substance abuse treatment and for domestic violence prevention programs.

Childcare funding is increased in the General Appropriation Act of 2003 by \$7.2 million, with \$2.5 million from the general fund and \$4.7 million from the federal Temporary Assistance to Needy Families (TANF) block grant. To effect the allocation from the TANF grant, the act authorizes the executive to move 30 percent of that federal block grant, the maximum allowed, to the Child Care and Development Block Grant. A portion of this increase (\$500,000) will be used to provide assistance to TANF clients working in child care facilities and pursuing advanced education programs to improve their employment skills. Approximately \$300,000 will fund five new positions to determine eligibility and perform facility inspections. The remaining funding will increase subsidized childcare slots.

In the area of adult protective programs, the Legislature provided an additional \$1.6 million from the general fund to continue adult day care, adult attendant care and adult protective services. These services were in danger of being cut back due to a loss in federal revenues from Social Security Title IV. The loss of these funds would have required shifting general fund revenue from these services to children's programs mandated by federal law. The additional funding will allow continuation of these adult programs and CYFD will assess federal fund revenues to minimize the impact on adult protective service programs as much as possible.

Highway Funding. House Bill 644 (Chapter 289) repeals the current section of law that would have decreased the gasoline tax by 1 cent per gallon on July 1, 2003; therefore, the gasoline tax will remain constant at 17 cents per gallon. Each 1 cent of gasoline tax provides approximately \$8.3 million in revenue, of which \$6.4 million is distributed to the State Highway and Transportation Department. As a result, the department will receive about \$6.4 million more in incremental gasoline tax revenues in FY04 above that appropriated in the General Appropriation Act.

Other legislation passed during the 2003 session includes House Bill 881 (Chapter 142) to change the name of the State Highway and Transportation Department to Department of Transportation effective July 1, 2003, and Senate Bill 652 (Chapter 55) to provide that transportation commissioners shall serve at the pleasure of the governor.

The Legislature also passed House Bill 117 (Chapter 90), which would have added an federally required enforcement provision for commercial driver's license operators; however, that legislation was superseded by House Bill 278 (Chapter 164). The overwritten section of law places the Department of Transportation in jeopardy of losing \$8.4 million in federal funds in FY04 and \$16.8 million in subsequent years.

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Faculty Endowment Fund. The faculty endowment fund already in existence supports the development, recruitment and retention of outstanding faculty at New Mexico public post-secondary institutions. House Bill 756 (Chapter 379) and Senate Bill 466 (Chapter 392) authorize up to \$3 million from the faculty endowment fund to be allocated equally by the Commission on Higher Education to fund three endowed chair professorships at the University of New Mexico, New Mexico State University and New Mexico Institute of Mining and Technology, subject to the institutions providing matching funds. Senate Bill 655 (Chapter 83) appropriates \$3 million to the Commission on Higher Education for endowed chairs contingent on the enactment of Senate Bill 466 (Chapter 392) which establishes economic development endowed chairs.

Soil and Water Conservation District Funds. Senate Bill 385 (Chapter 319) authorizes the Secretary of Finance and Administration to draw up to \$972,000 from the general fund operating reserve as a contingent appropriation to match federal funds in FY04 for water conservation and natural resource restoration technical assistance related to an agreement between the U.S. Department of Agriculture, Natural Resources Conservation Service and the Soil and Water Conservation Commission. An additional appropriation of \$180,000 was included in Senate Bill 655 (Chapter 83). This funding will provide state match for additional employees to assist in project management for soil and water conservation, protection of farmlands and wetlands, air and water quality improvement and wildlife habitat improvement authorized under the federal Farm Security and Rural Investment Act of 2002, the 2002 farm bill.

Full-Day Kindergarten. The public school equalization distribution includes an additional \$7 million for the fourth year of the five-year phase-in of voluntary full-day kindergarten.

II. REVENUE AND FINANCIAL SUMMARY

General Fund Summary. Table 1 reports the general fund financial summary. Estimated recurring FY04 revenue is \$4.119 billion adjusted for 2003 legislation, representing 5.2 percent growth over estimated FY03 recurring revenue. FY04 recurring appropriations are \$4.111 billion, which is approximately a 5.5 percent increase over FY03. Total FY04 estimated ending balances are \$257.8 million, or 6.3 percent of appropriations. This total includes \$57 million in transferred tobacco settlement permanent fund (TSPF) balances pursuant to enactment of Senate Bill 298 (Chapter 312). This act provides for the inclusion of the TSPF as part of general fund reserves; however, the TSPF will be invested by the State Investment Council in a diversified portfolio of stocks and bonds similar to the other permanent funds, rather than in the short term instruments generally used for other general fund reserve accounts.

Also of significance is the appropriation of \$30 million of 2002 appropriations from the tax stabilization reserve (TSR) for water related projects (Laws of 2002, Chapter 109). In FY03 and FY04, these appropriations are contingent on general fund reserves being above 5 percent, with reserves defined as the sum of the operating reserve, appropriation contingency fund and tax stabilization reserve. The newly created TSPF portion of the general fund reserve cannot be included in the calculation; therefore, the appropriations from the TSR have been reduced to conform to the reserve target. In FY04, estimated TSR appropriations are \$20 million.

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Revised Revenue Outlook. Table 2 presents the consensus revenue estimates used for the 2003 session. The first column shows actual FY02 receipts. The column labeled “Feb. 03 ” shows the projection prepared during the 2003 session. The columns marked “Feb. 03 Adjusted for Legislation” reflect the February forecast adjusted for legislation enacted by the 2003 Legislature. Adjustments for legislation are \$69.8 million (1.8 percent) and \$124.9 million (3.1 percent) in FY03 and FY04, respectively. FY03 adjustments include \$49.4 million due to the inclusion of tobacco settlement revenues and \$6.5 million in Medicaid reversions, while FY04 legislative changes include approximately \$46 million due to enhanced audit activity in the general appropriation act (chapter 76), \$31 million due to a cigarette tax increase in Senate Bill 804 (Chapter 341), \$32 million from removal of the premium tax exemption in Senate Bill 331 (Chapter 58) and \$37.2 million due to de-earmarking of tobacco master settlement revenues in Senate Bill 298 (Chapter 312). These increases are partially offset by the first year of the five-year personal income and capital gains tax reductions in House Bill 167 (Chapter 2).

Adjusting for legislation, year-over-year total revenue increases reflect only 0.8 percent growth in FY03, increasing to 4.5 percent growth in FY04. In comparison, excluding these adjustments, FY03 total revenue actually declines from FY02 levels, while FY04 total revenue increases approximately 3 percent.

Revenue Bills. The second page of Table 1 details 2003 revenue bills. The totals tie to the “Adjusted for Legislation” column in Table 2. The Legislature in 2003 was primarily focused on tax and economic development incentives to set the appropriate framework for long-term growth. For example, House Bill 167 (Chapter 2) reduces the top marginal personal income tax rate from 8.2 percent to 4.9 percent by tax year 2007 and increases the maximum capital gains tax deduction from \$1,000 of net capital gains to the greater of \$1,000 or 50 percent of net capital gains by tax year 2007. These two measures together reduce New Mexico income taxes approximately \$900 million over the next five years.

As a revenue enhancement, Senate Bill 804 (Chapter 341) increases the tax on a package of cigarettes by 70 cents which will generate approximately \$31 million in general fund revenues. Additional distributions of the cigarette tax increase are discussed below.

The Legislature renewed the job mentorship tax credit. This act encourages businesses to hire young people to participate in career preparation education programs by providing tax credits of up to 30 percent of the gross wages paid for employing young people; the credit is limited to 320 hours per student. House Bill 179 (Chapter 402) amends the Investment Tax Credit Act to reduce the employment requirements to qualify for the credit; it now allows tax credits equal to 5 percent of the value of qualified equipment purchased and incorporated into certain manufacturing operations in the state.

House Bill 920 (Chapter 13) amends the Income Tax General Provisions, Section 7-2-2 NMSA 1978, to change the definition of a New Mexico “resident” for the purposes of the Income Tax Act. A “resident” is an individual who is domiciled in this state during any part of the taxable year or an

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individual who is physically present in this state for 185 days or more. The FY04 gain to the general fund is estimated at \$4 million.

Senate Bill 331 (Chapter 58) eliminates the insurance premium tax exemption for all government contracts except those generated for the benefit of current or retired employees. The amendment is applicable to premiums received in 2003 and subsequent years. Temporary language allows taxpayers to escape penalty and interest for liability generated in the first quarter of 2003. This legislation is not anticipated to impact New Mexico taxpayers or businesses; it rationalizes the tax treatment of certain federal contracts. The FY04 gain to the general fund is estimated at \$32 million.

The General Appropriation Act establishes an enhanced and expanded program to collect delinquent taxes and strengthen current tax collection efforts. The FY04 gain to the general fund is estimated at \$21 million recurring and \$25.1 million nonrecurring.

Senate Bill 621 (Chapter 86) enacts a new Oil and Gas Proceeds Withholding Tax Act. A remitter who pays oil and gas proceeds to any third party would be required to withhold tax from the amounts paid to any remittee other than residents of New Mexico; federal or state governments; an Indian nation, tribe or pueblo; or a non-profit organization. Effective October 1, 2003 through December 31, 2004, the rate of withholding would be 6.75 percent of oil and gas proceeds. This is expected to boost revenue by approximately \$1 million in FY04. A new distribution is created to the legislative retirement fund. The distribution would be \$200,000, or, if greater, 1/12th of the amount necessary to pay out retirement benefits due under state legislator member coverage plan 2. The net FY04 loss to the general fund is estimated to be \$600,000.

Senate Bill 874 (Chapter 150) allows a qualified tribe (e.g the Pueblo of Nambe) to enter into tax sharing agreements with the Taxation and Revenue Department in exchange for ceasing gasoline distribution outside reservation boundaries on which the gasoline excise tax has not been applied. The qualified tribe would receive 40 percent of the gasoline tax revenue attributable to 2.5 million gallons each month. The tax sharing agreement would be for a period of up to 10 years. The FY04 loss to the general fund is estimated to be \$624,000, but the road fund gains \$870,000.

House Bill 322 (Chapter 220) amends the Small Cities Assistance Act to revise the distribution formula for municipalities that currently qualify for small cities assistance. The minimum distribution is increased to \$35,000 (from \$30,000), while the maximum is increased to \$56,000 (from \$50,000). FY04 total recurring impact to the general fund will be approximately \$650,000.

House Bill 229 (Chapter 217) amends the Small Counties Assistance Act by changing the ceiling valuation calculation and the distribution from the small counties assistance fund. It also increases the population limit for class B, class C or first class counties that qualify for the fund from 45,000 to 48,000. The FY04 loss to the general fund is estimated at \$800,000.

House Bill 536 (Chapter 283) modifies the Uniform Unclaimed Property Act so that child support payments, spousal support payments or medical support payments will be disposed of by the Human Services Department in accordance with regulations to be adopted by that agency. Under present law,

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the affected amounts are collected by the department and distributed to the general fund. The FY04 loss to the general fund is estimated at \$200,000.

Senate Bill 298 (Chapter 312) diverts all tobacco settlement payments from the tobacco settlement permanent fund to the general fund for FY03 through FY06. Beginning in FY07, the diversion ceases and 50 percent of the revenues will again be transferred to the tobacco settlement program fund. Additionally, the unappropriated balance in the tobacco settlement program fund is transferred to the general fund. The FY04 gain to the general fund is estimated at \$37.2 million.

Senate Bill 804 (Chapter 341) increases the cigarette tax from the current 21 cents per pack to 91 cents per pack and authorizes the New Mexico Finance Authority (NMFA) to issue revenue bonds with a term of up to 15 years for no more than \$60 million for the University of New Mexico Health Science Center (UNMHSC) and the Cancer Research and Treatment Center. The bill also authorizes the issuance of revenue bonds for Department of Health facilities. Cigarette tax distributions to current beneficiaries are amended to hold them harmless; however, new distributions are made to NMFA (for the benefit UNMHSC and Department of Health facilities) and a credit enhancement account as a contingency if cigarette tax revenues decline and impact the state's ability to service the authorized bonds. After the distributions, the remaining revenue is distributed to the general fund; the FY04 gain to the general fund is estimated at approximately \$31 million.

Senate Bill 213 (Chapter 350) provides a gross receipts tax deduction for Medicare receipts of clinical laboratories accredited pursuant to the federal Clinical Laboratory Improvement Act and home health agencies licensed by the Department of Health and certified by the federal Centers for Medicare and Medicaid Services. The deduction is phased-in over three years with the full deduction scheduled for FY06. The FY04 loss to the general fund is estimated at \$320,000.

Senate Bill 654 (Chapter 351) amends Section 7-9-77.1 NMSA 1978 to provide osteopathic physicians a gross receipts tax deduction for receipts from third-party administrators of TRICARE, the managed-care health insurance program for those in the U.S. military. The FY04 loss to the general fund is estimated at \$350,000.

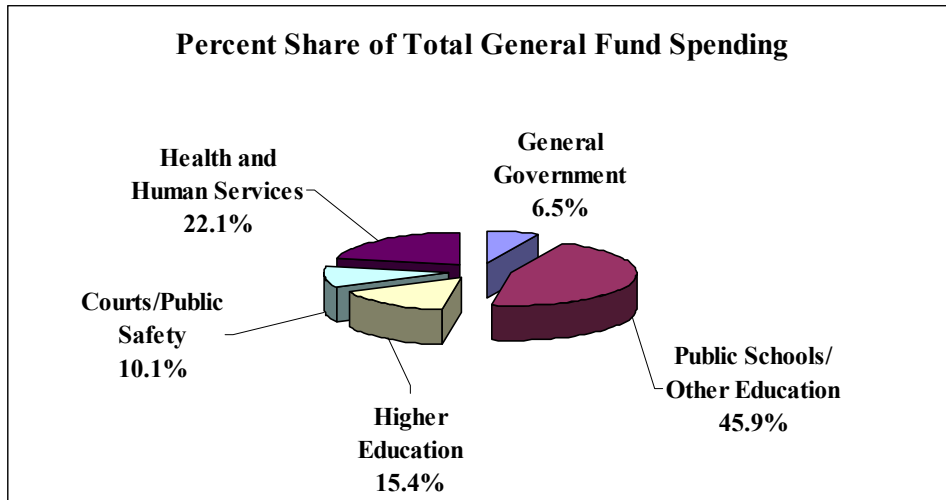
House Bill 321 (Chapter 433) amends the statute on distributions from the oil and gas conservation tax to the oil and gas reclamation fund (OGRF). The legislation increases distributions to the reclamation fund from 1/19th of 1 percent of the net revenue attributable to the tax (under present law) to 2/19th of the net receipts attributable to the tax. The FY04 loss to the general fund is estimated at \$624,000.

During the 2002 interim, there was considerable discussion of the limitations of the static estimates used in fiscal impact reports. While static estimates are traditional and provide a conservative bound on the impact of proposed legislation, critics in the economic development community have noted that static analysis discounts the stimulative impacts central to many proposals. In response to these concerns, House Bill 28 (Chapter 73) provides for a two-year dynamic scoring pilot project to be led by the Department of Finance and Administration with significant input from the LFC and other agencies. The pilot project will be used during the 2004 and 2005 legislative sessions for bills with fiscal impacts in

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excess of \$10 million. After the 2005 session, participants will evaluate the effectiveness of the pilot project and make recommendations for its future use.

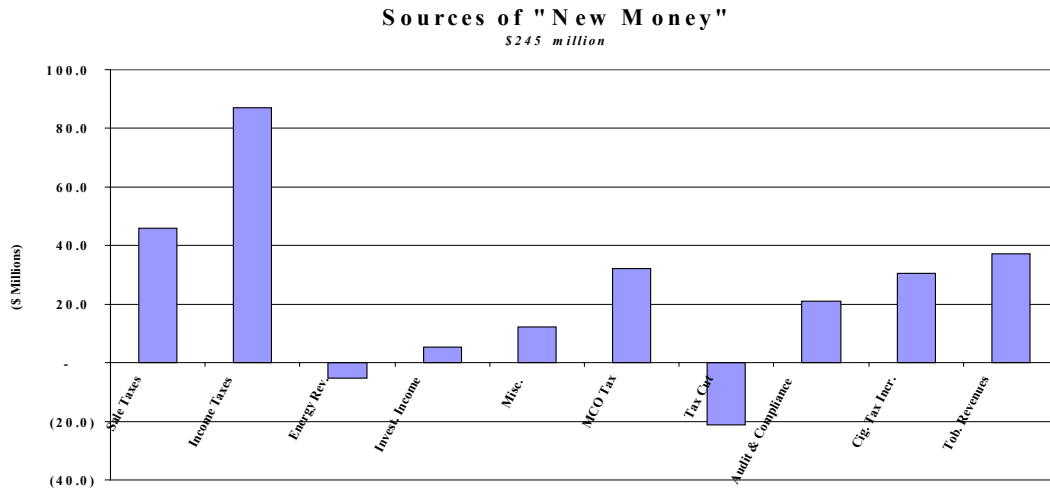
III. SPENDING REVIEW



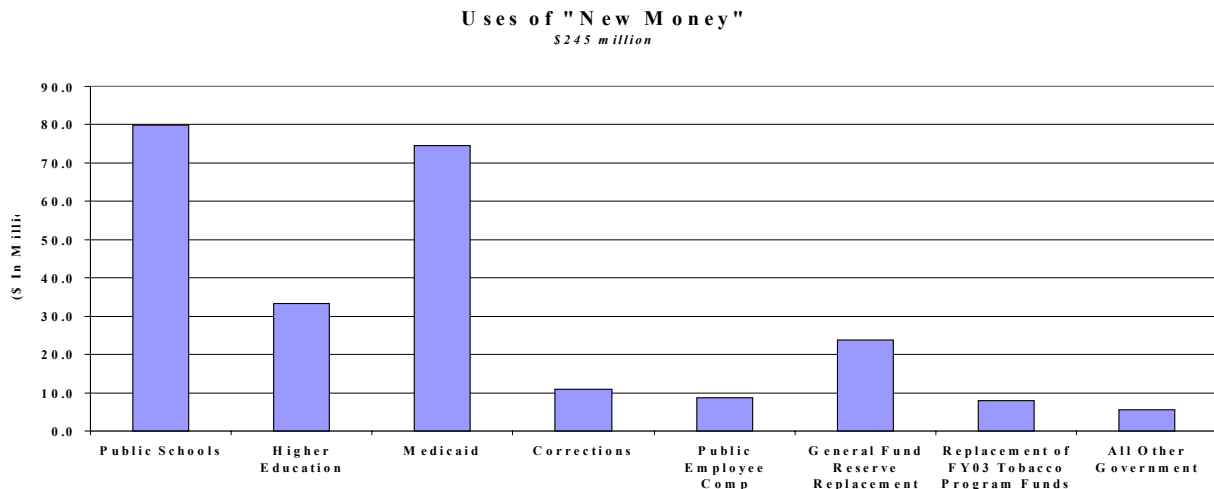
Fiscal Year 2004 Overview. Recurring general fund appropriations are provided predominantly in three separate legislative acts: the General Appropriation Act of 2003 (Chapter 76); the feed bill (Chapter 1), which primarily funds legislative activity, and the Supplemental General Appropriation Act. As indicated in Table 1, “Financial Summary Detail”, the Legislature appropriated \$4.111 billion in total from the general fund for FY04 recurring purposes, after the governor’s partial veto. Recurring FY04 appropriations will increase by \$215 million, or 5.5 percent, over the current FY03 operating budget. Tables 3 and 4 details general fund appropriations for all agencies.

“New money” for FY04 totals approximately \$245 million. Of that amount, about \$146 million reflects incremental recurring base revenues, of which \$46 million can be attributed to broad-based sales taxes and \$87 million to personal and corporate income taxes. Other major sources of new money are detailed in the revenue section of this report and reflect legislative action and include the tobacco settlement revenue (\$37.2 million), cigarette tax increase (\$30.6 million), insurance premium tax exemption (\$32 million) and enhanced audit and collections (\$21 million).

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Appropriations of the new money reflect legislative priorities of education, Medicaid and state prisons. Incremental appropriations to public schools are \$80 million, followed by Medicaid at \$74 million. (Total incremental funding for Medicaid ranks first when all funds are included, i.e., an incremental \$8 million of tobacco program funds and approximately \$19.5 million from the appropriation contingency fund.) Other uses of new money include \$33 million for higher education, \$10 million for corrections, and \$8.7 million in state employee compensation. It is important to note the "All Other Government" category, which reflects 24 percent of the total budget, grew by just \$5.5 million, or about 2 percent of the new money. As noted above, this compares to an overall recurring FY04 appropriations growth rate of 5.5 percent.



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Spending from general fund for public schools and other education increase by \$80 million, or 4.4 percent. Public education accounts for 46 percent of the total FY04 general fund budget. Funding for the fourth year of the five-year phase-in of full-day kindergarten includes \$4 million from the Temporary Assistance for Needy Families block grant and \$7 million from the general fund. Other major initiatives for public schools include \$54.4 million for compensation for teachers and other public school employees, \$5.7 million to fund the first year implementation of the three-tier licensure structure for teachers and to bring all teachers up to a minimum salary of \$30,000 and \$4 million to support the Fine Arts Education Act (House Bill 12, Chapter 152).

Higher education spending will increase by \$33.3 million, or 5.5 percent and accounts for 15.4 percent of the total FY04 general fund budget. The principal components of the increase are compensation for faculty and staff and workload for both two- and four-year institutions based on a new funding formula. The increase also reflects a shift from tobacco settlement program fund to general fund for various programs at the University of New Mexico Health Sciences Center.

Health and human services spending will increase by \$76.3 million, or 9.2 percent, mostly for Medicaid. Health and human service agencies constitute 22.1 percent of the total FY04 general fund budget. Appropriations for Medicaid also reflect a shift from the use of tobacco settlement revenue to general fund for various Medicaid programs.

The total general fund increase for the Corrections Department is \$7.3 million, or 3.8 percent over the current year, primarily for inmate population growth.

Highlights of the major governmental spending categories follow.

JUDICIAL

Courts. The judiciary received a 4.5 percent increase in its general fund appropriation over FY03, excluding the compensation adjustment of an additional \$1 million for salary increases effective January 3, 2004. Classified employees, Supreme Court justices and other state judges will receive a 3 percent increase.

The judiciary received an increase of 53 permanent FTE. Included are: 2 FTE for magistrate clerks, 1 FTE for a probation officer in the 2nd Judicial District, 2 FTE for judicial specialists and 1 FTE for a system analyst for the 11th Judicial District, 1.5 FTE for the 13th Judicial District, 1 FTE for a drug court coordinator for the Administrative Office of the Courts (AOC) and 1 FTE for a storekeeper for the Bernalillo County Metropolitan Court. A total of 12 permanent FTE are for new judgeships for the 3rd, 6th, and 13th Judicial Districts. Details pertaining to the additional FTE are outlined below.

Senate Bill 655 (Chapter 83) appropriates \$400,000 to the AOC for water rights adjudication. This appropriation will be used for special masters, law clerks and pro tempores. A further increase in term FTE will result from additional hearing officers and associated employees in establishing support orders pursuant to language in the General Appropriation Act of 2003 that allows the Child Support

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Enforcement Program of the Human Services Department to transfer \$500,000 in general fund reserves for this purpose.

The judiciary also receives \$3 million for drug courts including \$1.5 million in general fund for replacement of federal funds. An additional \$1.5 million for FY04 is appropriated from the local DWI grant fund to replace federal funding for drug courts and for the expansion of drug courts. There are 31.5 permanent FTE related to the drug court appropriations for Metropolitan Court and select magistrate and district courts.

Further, Senate Bill 91 (Chapter 240) provides for district courts and magistrate courts to assess and collect drug court fees from adult drug court participants. However, program fee requirements may be satisfied by community service at the federal minimum wage.

AOC also is appropriated \$711,000 from the magistrate and metropolitan court capital fund for phase II of the magistrate court video arraignment project and for a lease-versus-build feasibility study for the Dona Ana County magistrate court in Las Cruces.

In regards to the Bernalillo County Metropolitan Court, the Legislature passed Senate Bill 584 (Chapter 45) allowing the New Mexico Finance Authority to issue \$3.9 million in new bonds for the purpose of financing the new courthouse. To date, revenue bonds issued for the courthouse currently total \$62.9 million. Additionally, Senate Bill 655 (Chapter 83) includes \$1.9 million in FY04 from the Magistrate and Metropolitan Court Capital Fund to complete construction, furnishing and equipping the new courthouse. Moreover, Metropolitan Court receives an FY03 nonrecurring appropriation of \$500,000 for moving costs and \$213,000 to establish a mental health court. An FY04 recurring appropriation of \$500,000 is for operational costs.

District Attorneys. Collectively, the district attorneys received a \$787,000 increase in general fund appropriations, or a 2 percent increase. The 1st judicial district receives 1 FTE for an assistant district attorney II, the 11th judicial district receive 1 FTE for the violent crimes unit and the 13th judicial district receives 1 FTE for a senior trial prosecutor.

In FY01, FY02 and FY03, the 4th Judicial District attorney's office received special appropriations in the amounts of \$350,000, \$572,900 and \$450,000, respectively, for prosecution of criminal cases related to the Santa Rosa prison riots. The 4th Judicial District has projected the cases will continue into the next two fiscal years. The Legislature appropriated \$375,000 more in Senate Bill 655 (Chapter 83) for this purpose. Furthermore, the period of time for expending the \$450,000 general fund appropriation for FY03 for the prosecution of the Santa Rosa cases is extended through FY04.

Senate Bill 655 (Chapter 83) includes funding for the 11th Judicial District attorney in the amount of \$145,000 for DWI prosecutions and \$75,000 for capital crime prosecution in Division 1 for expenditure in FY03 and FY04.

The Administrative Office of the District Attorney is appropriated a recurring amount of \$53,000 for a network software specialist in Senate Bill 655 (Chapter 83).

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GENERAL CONTROL

Taxation and Revenue Department. For FY04, the Taxation and Revenue Department (TRD) total appropriation is \$61.3 million, of which \$52.3 million is from the general fund. This represents a 1.5 percent decrease from the FY03 operating level. The general fund reduction of \$928,500 is mainly due to a decline in the need for mainframe computer services from the General Services Department in FY04. According to TRD, all of its major automated tax programs except the Oil and Natural Gas Administration and Revenue Database will be migrated to a server environment by November 2003.

TRD also receives a special appropriation for FY03 and FY04 of \$5 million for establishing a Tax Fraud Bureau in the Office of the Secretary and for expanding the Audit and Compliance Division (ACD). Preliminary estimates indicate various taxpaying entities owe as much as \$68 million in outstanding taxes. The 16 term positions funded for the new bureau will focus on tax fraud, investigation and enforcement. The 42 term positions for ACD will concentrate on enhanced audit and collection activities. Together, these initiatives may boost state revenues and increase compliance by delinquent taxpayers.

DFA - Board of Finance. Senate Bill 655 (Chapter 83) includes several general fund appropriations, including \$500,000 to continue development and implementation of the state human resources systems and \$500,000 to match federal funds and other states' contributions for a Four Corners monument in San Juan County. New Mexico is the only state of the four that has not made a contribution. An additional \$1 million from the general fund is appropriated to DFA for the New Mexico Finance Authority Water and Wastewater Planning Fund.

Special and supplemental general fund appropriations of \$800,000 are made to DFA for the Cumbres and Toltec Scenic Railroad, with \$600,000 for operating expenses of the Cumbres and Toltec Scenic Railroad Commission and \$200,000 for operating expenses of the railroad. The current contract requires the railroad operator be responsible for all operational expenses, while the commission is responsible for all capital improvements. In addition, \$120,000 in severance tax bonds is authorized for the re-building of three steam locomotives. Contrary to past practice, none of this funding is contingent on equivalent funds from Colorado, which shares management of the railroad.

Public Defender Department. The Public Defender Department's (PDD) appropriation includes \$28.3 million from the general fund and \$1.1 million from cash balance. An additional \$161,200 is included for 2 FTE for Rio Arriba County and 1 FTE for a juvenile mental health attorney. Senate Bill 655 (Chapter 83) includes \$375,000 from FY03 cash balances for the defense of the Santa Rosa prison riot cases. Further, the period of time for expending the FY02 general fund appropriation of \$964,600 for the same purpose is extended through FY04.

Secretary of State. The Secretary of State has taken steps to implement the federal Help America Vote Act, which includes requirements for voter and agency registration, voter identification, procedures for conducting elections, voting systems, absentee voting and voting on state constitutional amendments. The Legislature appropriated a state match of \$1.2 million for the Secretary of State to receive \$5 million in federal funds for federally approved electronic voting machines.

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Office of the Governor. The Governor's Office grew substantially, both in terms of appropriations and staff. The General Appropriation Act includes \$3.6 million for FY04, an increase of 73 percent over the previous year. In addition, the feed bill appropriates \$793,500 in FY03 to the Governor's Office, primarily for personal services. Total FTE increased from 27 to 46.3.

Appropriations in Senate Bill 655 (Chapter 83) to the Governor's Office include \$250,000 to create the Office of Homeland Security and \$100,000 for a Las Cruces satellite office. In addition, \$327,000 provides for establishing the Public Employee Labor Relations Board, a component of the Public Employee Bargaining Act.

COMMERCE AND INDUSTRY

Economic Development Department. The appropriations to the Economic Development Department include \$7 million from the general fund and \$2 million in TANF funds for the In-Plant Training Program, \$100,000 for the New Mexico-Chihuahua Commission, \$150,000 for the Office of Military Base Planning and Support and \$250,000 for the New Mexico Rural Development Response Council.

Regulation and Licensing Department. Included in Senate Bill 655 (Chapter 83) is a \$1.5 million general fund appropriation for operational purposes contingent on the enactment of fee increases for certain liquor licenses in Senate Bill 574 (Chapter 246) and license fees for securities representatives (Senate Bill 596, Chapter 247)). The appropriation is also contingent on the department promulgating regulations related to several other fee increases. Senate Bill 574 (Chapter 246) raises fees for certain liquor licenses by \$50. Some of these fees had not been raised since 1981. Senate Bill 596 (Chapter 247) increases license fees for securities sales representatives and investment advisors from \$35 to \$50 per year. When the fee increase is fully implemented, revenues should increase an estimated \$945,000 annually.

One new professional licensing board is created this year; Senate Bill 255 (Chapter 60) enacts the Naprapathic Practice Act and creates a five-member Naprapathic Practice Board. Naprapathy is an alternative health care that uses therapeutic and rehabilitative exercise and counseling on posture and nutrition to address physical ailments.

LFC sponsored legislation House Bill 145 (Chapter 428), extends the sunset date for nine boards, including the Board of Pharmacy and the Board of Optometry, until 2009. The legislation also extends sunset dates for the Nursing and Medical Examiner boards, which are not attached to the Regulation and Licensing Department.

Public Regulation Commission. After the addition of \$550,000 from the general fund for the Insurance Division, the agency general fund budget increases by 3 percent over FY03. The Legislature adopted the committee recommendation to develop a new program, Insurance Policy, to provide more focus and accountability; however, the agency will need to develop meaningful performance measures for this program. Specific language in the General Appropriation Act requires the Department of Finance and Administration to reduce the agency budget if performance targets are not met. The

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inclusion of such language was at the request of LFC after the committee received testimony from several regulated companies about the extreme length of time PRC takes to act on rate cases.

As a result of a study by a legislative oversight committee, several bills were introduced during the session to address the scope of the commission's authority; however, these bills were not successful. The most significant legislation enacted was Senate Bill 718 (Chapter 336) which repeals electricity deregulation in New Mexico.

AGRICULTURE, ENERGY AND NATURAL RESOURCES

Department of Game and Fish. The FY04 budget represents a slight reduction from the previous year to preserve cash in the game protection fund. Cash balance will be used for several legislative priorities: \$500,000 for a conservation education center in Santa Fe, \$1.3 million for a warm water hatchery in Santa Rosa, \$1.1 million for reclamation of Terrero mine, \$3 million for dam renovations at Eagle Nest Lake, and \$300,000 for operation of a state park at Eagle Nest Lake. Spending on those projects is projected to leave the balance in the game protection fund at \$6.9 million. Consequently, the State Game Commission will seek a license fee increase during the next legislative session. A serious issue could develop if the department uses Game Protection Fund revenue to operate a state park at Eagle Nest Lake, which might not be an appropriate use of the fund. The U.S. Fish and Wildlife Service could place the state in diversion, which could jeopardize more than \$9 million in federal funding.

The General Appropriation Act includes an additional \$100,000 over the agency request from the Bighorn Sheep Enhancement Fund to complete habitat improvement projects. The Legislature was successful in passage of House Bill 656 (Chapter 178) creating a wildlife license plate, with proceeds to be distributed to the Share with Wildlife program.

Energy, Minerals and Natural Resources Department. The agency appropriation is a 3.5 percent decrease as requested by the executive. The reduction is applied almost entirely to the Oil Conservation Division based on the assumption that vacancy savings would provide some flexibility to absorb the reduction. This may be problematic for the division. Senate Bill 655 (Chapter 83) includes \$50,000 to complete a study to develop a state park in the Mesilla Valley bosque, \$80,000 to fund hydrogen and fuel cell research and \$100,000 to complete a natural gas pipeline study. House Bill 967 (Chapter 196) requires EMNRD to complete a feasibility study for a natural gas pipeline in southern New Mexico.

State Engineer and Interstate Stream Commission. The agency appropriation is a 3.5 percent decrease as requested by the executive. However, the appropriation continues to emphasize the priority that the Legislature has given to water issues especially for the better supervision, measurement, appropriation and distribution of the state's limited resource. In addition, the Legislature provided special appropriations for the following: \$300,000 for water planning, \$1.15 million to continue the first phase in adjudication of water rights on the Pecos River and lower Rio Grande, \$2.1 million for file abstraction and imaging related to the Water Administration Technical Engineering Resource System database, \$50,000 for a study of the deep aquifer in Lea County and \$2.5 million for expenses related to federal natural resource policies including the Endangered Species Act. The Legislature continues to use fund balances from the agency's two trust funds, Irrigation Works Construction and Improvement

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of the Rio Grande, to finance \$11.5 million of agency operations. The declining fund balance continues to be a concern in the out-years.

The Legislature approved statutes requiring a statewide water plan (House Bill 260, Chapter 131 and Senate Bill 195 Chapter 137), protecting acequia and community ditch associations (House Bill 303 Chapter 135 and Senate Bill 123, Chapter 82), authorizing acequia water banking (House Bill 302, Chapter 132 and Senate Bill 124, Chapter 54), preserving water rights when not used through conservation efforts (Senate Bill 128, Chapter 67); recognizing the State Engineer's authority to administer water by priority based on scientific, hydrologic models; and authorizing statewide water banking (Senate Bill 551, Chapter 63). The Legislature passed joint memorials to study the impact of water impoundments on downstream users in northern New Mexico (House Joint Memorial 4) and to study establishing a regional water authority for Santa Fe County and surrounding users (Senate Joint Memorial 28).

HEALTH, HOSPITALS AND HUMAN SERVICES

Aging and Long-Term Care Department. The Legislature appropriated \$21.5 million from general fund, an increase of 3.4 percent. House Bill 585 (Chapter 403) authorizes the governor to elevate the agency to cabinet status through executive order. The new agency, Aging and Long-Term Care Department, would incorporate the current State Agency on Aging functions with some services performed by the Children, Youth and Families, Health, and Human Services departments. The executive is to develop a plan of transition by June 30, 2003.

Human Services Department. The table below details the Human Services Department (HSD) supplemental appropriations in the General Appropriation Act.

HSD Supplementals
(dollars in thousands)

Description	Amount
Medicaid program	29,800.0
Fiscal agent payments (MAD)	1,200.0
Computer system enhancements (MAD)	700.0
Senior drug program development (MAD)	150.0
Computer system development (ISD)	1,000.0
Food stamp admin reimbursement	1,400.0
Inmate counseling (CSED)	100.0
Total	34,350.0

With previous appropriations, the department's total FY03 appropriation from the general fund is \$458 million. For FY04, the total appropriation is \$471.1 million, including \$400,000 from Senate Bill 655 (Chapter 83). This represents an increase of \$13.1 million.

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The total general fund appropriation to the Medical Assistance Division for FY04 is \$418.8 million. Of this, \$11.2 million is for administrative expenses leaving \$407.6 million for Medicaid program expenses. The final FY03 Medicaid appropriation including supplementals is \$391.4 million. The FY04 appropriation represents a general fund increase of \$16.3 million, or 4.2 percent. From the initial FY03 general fund appropriation of \$333.1 million the increase is \$74.5 million. Table 5 notes the categorical increases comprising the total. The estimated program growth includes 8.16 percent enrollment expansion and 5.97 percent managed-care contract increase based on the November 2002 consensus Medicaid projection. The agency is directed to follow the recommendations of the Medicaid Reform Committee (MRC) to help limit expenses consistent with Senate Bill 338 (Chapter 315). Approximately \$6.9 million more from general fund will be required to support the insurance premium tax after implementation of the cost-savings recommendations of MRC.

The general fund appropriation for the Child Support Enforcement Division is reduced by \$774,100 from FY03 to \$8.2 million in FY04 in anticipation of the use of a \$1.5 million cash balance identified by a federal audit. In the event the cash balance is unavailable, there is authority to use up to \$1.5 million from the appropriation contingency fund. An additional \$500,000 from the appropriation contingency fund (plus \$1 million federal match) is for hearing officers to help reduce the pending cases waiting for court support orders.

New uses of TANF funds are \$1 million for a nurse and teacher post-secondary education initiative and \$1.5 million to assist the Zuni and Navajo sovereign programs. The TANF budget is outlined in Table 6.

Labor Department. The Legislature appropriated approximately \$25 million of a \$38.6 million federal Reed Act distribution to the state as detailed below.

Located	Purpose	Amount
In Section 4 of HB 2 (base budget)	Agency Administrative Costs	\$6,236.7
In Section 7 of HB 2	Information Technology Projects	<u>\$14,600.0</u>
Total in HB 2		\$20,836.7
In SB 416	High School Career Centers	\$1,550.0
In HB 261	Unemployment Insurance Bill Administrative Costs	<u>\$2,592.4</u>
Total Reed Act dollars in FY04 Budget		\$24,979.1

Department of Health. General fund appropriations for the Department of Health total \$244.5 million, an increase of \$11.7 million or 5 percent. Legislative initiatives include \$6 million for smoking prevention and cessation programs, \$1 million for adult and juvenile diabetes prevention and control and \$470,000 for HIV/AIDS prevention, services and treatment. Also, an additional \$2 million was appropriated in Senate Bill 655 (Chapter 83) to reduce the waiting list of developmentally disabled (DD) Medicaid patients seeking in-home care. Funding is provided for possible receivership of financially

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failing nursing home facilities. Special appropriations of \$4.3 million are provided to pay off a State Board of Finance loan, further reduce the DD waiting list, provide parity between the federal waiver and the state program for DD, establish a Native American AIDS/HIV program and continue a federally initiated heroin-abuse prevention program in northern New Mexico.

House Bill 231 (Chapter 218) enacts the Public Health Emergency Response Act providing procedures for declaring and responding to a public health emergency, protecting individual civil rights in the case of an emergency, civil penalties for violation of the act, and clarifying the governor's authority to declare and terminate a public health emergency. The Act also directs the department to coordinate and consult with the Department of Public Safety and director of Homeland Security to protect the health, safety and welfare of the people in declaring a health emergency. Additional legislation requires the agency to coordinate investigation of abuse in long-term care facilities with the Children, Youth and Families Department, Aging and Long-Term Care Department and the Attorney General. The agency is also required by House Bill 955 (Chapter 380) to develop a comprehensive health care plan assessing needs throughout the state.

Department of Environment. The Legislature held general fund at the FY03 level but shifted funding from administration to programs. The department's four-year information technology project, the integrated database for environmental assurance, is to be completed in FY03; therefore, general fund support to the administration program is reduced appropriately. Over concern about the solvency of the department's 15 special revenue funds, the Legislature did not support growth in these appropriations and instructed the new administration to practice more vigilant oversight of these funds.

The Legislature also appropriated \$1 million from the corrective action fund and \$1 million from the game protection fund to complete reclamation of the Terrero mine near Pecos, New Mexico.

Veterans' Service Department. The Legislature continued to recognize the contributions of veterans to the state by authorizing the governor to elevate the Veterans' Service Commission to a cabinet agency by executive order in House Bill 585 (Chapter 403). Agency funding is continued at existing levels and Senate Bill 655 (Chapter 83) appropriates \$50,000 for the playing of taps during a veteran's burial ceremony at the Santa Fe Veterans' Cemetery. In addition, House Joint Memorial 85 was passed to study the expansion of veteran-owned small businesses throughout the state. Implementing legislation in Senate Bill 188 (Chapter 57) increases veterans' property tax exemptions from \$2,000 to \$4,000 over a four-year period.

Children, Youth and Families Department. The 3.3 percent increase in the appropriation for the Children, Youth and Families Department includes slightly more than \$6.5 million from the general fund to offset an estimated loss of \$2.8 million in federal funds and to expand some services. Of this increase, \$1.6 million is to continue funding for adult protective services programs that would have been impacted by the federal funds reduction. Federal funds received directly or from transfers from the Human Services Department increase approximately \$4.7 million, mostly due to transfers from TANF to the child care and development block grant (CCDBG). This amount is 30 percent of TANF and is the maximum allowable transfer to the CCDBG. In addition, \$2.5 million from general fund is provided to expand child care services. A portion of this increase (\$500,000) will be used to provide

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assistance to TANF clients working in child care facilities and pursuing advanced education programs to improve employment skills. Approximately \$300,000 will provide 5 FTE to the child care bureau for determining eligibility and performing facility inspections. The remaining funding increases subsidized childcare slots. Funding for the juvenile justice program is \$55.7 million, child and adult protective services is \$90.2 million, prevention and intervention is \$160.4 million and program support is \$13.5 million. Sufficient budget adjustment authority is provided so the agency can either directly operate the Juvenile Justice Rehabilitation Center in Dona Ana County or continue to hire a contractor.

General fund for assistance programs for victims of domestic violence increases by \$1 million, and a fee is established to provide funding for domestic violence offender treatment programs (House Bill 414, Chapter 94 and Senate Bill 327, Chapter 387).

Agency responsibility and authority are better defined in Senate Bill 752 (Chapter 338) and several changes in the Children's Code could impact the operation of the probation and parole offices of the juvenile justice program. Agency responsibilities and authorities are changed to give the agency lead responsibility in the delivery of services to children. It is also designated as the lead agency for developing programs to combat domestic violence and provide treatment to the victims of such violence. Legislation approving the new interstate compact for juveniles in House Bill 46 (Chapter 48) will affect the transfers of adjudicated juveniles into and out of the state. Senate Bill 624 (Chapter 108) addresses children's code implementation problems. A Youth Council (Senate Bill 425, Chapter 324) with representatives from a cross-section of New Mexico ranging from age 14 to 18 will advise the governor on issues impacting youth. Committee efforts to expand the role of the interagency coordinating group (House Bill 373) was "pocket vetoed" by the governor.

Tobacco Settlement Program Fund. Over the initial 25 years, the master settlement agreement between the participating states and the tobacco industry will result in an estimated \$1.2 billion distribution to New Mexico. Half of each year's distribution has been invested in a permanent fund and the remaining half made available for recurring appropriations. Senate Bill 298 (Chapter 312) diverts all the tobacco settlement payments from the tobacco settlement permanent fund to the general fund through FY06. Additionally the unappropriated nonrecurring balance in the program fund is transferred to the general fund. Beginning in FY07, the diversion ceases, and 50 percent will again be diverted to the permanent fund.

The law also specifies the tobacco settlement permanent fund, with an approximate balance of \$57 million, as a reserve fund 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.

Table 7 shows FY04 programs previously supported with tobacco settlement funds that now will be supported from general fund.

PUBLIC SAFETY

Department of Military Affairs. The Youth Challenge Academy program state match of \$1.2 million is fully funded with general fund. In the past, the state match has been partially funded by operating

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transfers from the Children, Youth and Families Department, the Energy, Minerals and Natural Resources Department's Youth Conservation Corps.

Corrections Department. The Corrections Department general fund appropriation increases by \$7.3 million, or 3.8 percent, bringing the total general fund budget to \$201.4 million. The appropriation includes \$28 million to provide healthcare services for inmates and \$50.4 million to pay for inmates housed in private facilities. Additionally, the department receives a supplemental appropriation for FY03 totaling \$653,000 for payment of its current medical contract along with budget adjustment request authority to transfer funds necessary to pay expenses associated with housing inmates in privately-owned prison facilities.

Other services funded for FY04 include \$30,000 for child visitation at the Women's Correctional Facility, \$25,000 for a playground at Southern New Mexico Correctional Facility and \$500,000 to create additional slots in community corrections programs to hasten the reintegration process for inmates with the goal of reducing the inmate population by approximately 300 in FY04. Moreover, \$2 million is designated for substance abuse treatment for inmates. Language contained in the General Appropriation Act (Chapter 76) broadens the purposes for which these funds may be used to include mental health and parenting services.

Overall, the department is funded for 2 percent growth in the inmate population for FY04; during the last five years, the average annual inmate population growth has been 4.6 percent. Implementation of successful community programs for inmates is crucial for the department to meet FY04 fiscal and strategic goals. To accomplish such goals, the Legislature granted the Corrections Department expanded budget adjustment request authority so it can better manage the demands of a growing inmate population within the funding level provided.

Department of Public Safety. The appropriation to the Department of Public Safety reflects an increase in general fund revenue of \$352,200 or 0.5 percent, over FY03. The appropriation includes \$219,500 to fund 3 FTE in the Information Technology Program and \$681,300 for increasing maintenance costs of the computer aided dispatch system.

In addition, Senate Bill 655 (Chapter 83) includes \$750,000 for vehicle replacement costs, \$400,000 to address the backlog of cases at the crime lab, and \$100,000 for domestic violence training of law enforcement officers and healthcare personnel.

The department receives \$800,000 from the computer systems enhancement fund to stabilize the agency's computer network.

The Motor Transportation Division of the department receives a supplemental appropriation of \$325,000 to cover a shortfall in personal services and employee benefits.

House Bill 200 (Chapter 429) provides for an amount not to exceed \$4 million from the sale of short-term severance tax bonds for the purchase of state police helicopters, and \$640,000 from the public building repair fund to complete construction of the Gallup district office.

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TRANSPORTATION

The FY04 appropriation for the State Highway and Transportation Department, to be renamed the Department of Transportation, is \$635.3 million, of which \$303.3 million is federal revenues, \$325 million is state funds and \$7 million is fund balance. This is approximately 3 percent less than the FY03 operating budget due to an estimated decrease in federal revenues and small growth in state funds. The impact of this decrease in revenues is reflected in the construction program budget which is decreased by 5 percent.

The department has outstanding bonded debt of approximately \$994 million; \$109.2 million, or 17 percent of the department's budget will be used for debt service in FY04.

House Bill 644 (Chapter 289) repeals the section of law which would have decreased the gasoline tax by 1 cent, thus leaving the gasoline tax at 17 cents. The department will receive \$6.4 million more in gasoline tax revenues in FY04 than was appropriated, and the department's budget may be adjusted accordingly by budget adjustment request authority.

In addition, the department is appropriated \$1.8 million from the rubberized asphalt fund: \$200,000 to provide Santa Ana drainage in Bernalillo County and \$1.6 million for acquisition of right-of-way, design and construction for an interchange at exit 102 on Interstate 40.

PUBLIC EDUCATION

Public Schools. The FY04 general fund appropriations for public education provide \$1.9 billion for public school and education-related programs, an increase of \$79.7 million or 4.4 percent (see Tables 8 and 9). The total in program costs of \$1.8 billion includes funding for the following: public school employees insurance premium and fixed cost increases a compensation increase of 6 percent for teachers and other instructional staff effective December 2003 and a 3 percent compensation increase for other education employees, including transportation, effective July 1, 2003. In addition, the Legislature provides funding for a minimum teachers' salary of \$30,000, effective December 2003 to implement the first phase of a three-tiered licensure structure for teachers. Finally, \$7 million from the general fund and \$4 million in TANF funds is appropriated for full-day kindergarten, bringing the availability of the program to 80 percent of schools statewide in the fourth year of the five-year phase-in plan.

The Legislature also addressed the issue of enrollment growth with appropriations of \$4.4 million in the state equalization guarantee (General Appropriation Act, Chapter 76) and \$4.5 million in House Bill 169 (Chapter 156). Two other formula changes are funded and include \$4 million in Senate Bill 655 (Chapter 83) for the Fine Arts Education Act (Chapter 83) and \$470,000 for salary increments for teachers certified by the National Board for Professional Teaching Standards.

The General Appropriation Act includes language that prior to the approval of a school district and charter school budget for FY04, the state superintendent will verify that an amount equal to or more than

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1 percent of a school district's or charter school's approved FY03 operating budget has been reallocated to direct instruction for expenditure in FY04.

Categorical and related appropriations total approximately \$160 million and include public school transportation, instructional materials, educational technology, evaluation of the three-tiered licensure system, teacher mentorship, performance-based budgeting, the Indian Education Act and Strengthening Quality in Schools.

The following major pieces of legislation affecting public schools were enacted this year:

House Bill 745 (Chapter 155) limits school districts and charter school operational cash balances. The legislation mandates that prior to approval of a school district's or charter school's budget, the state superintendent shall verify that the credit for operational cash balances is reflected in the state equalization guarantee distribution.

House Bill 212 (Chapter 153) makes major changes to the Public School Code and includes the enactment of the Assessment and Accountability Act, creates an assessment and accountability system based on challenging academic content and performance standards, requires rigorous testing against those standards to determine annual progress of students and changes certain governance structures.

Senate Joint Resolution 2, if approved by the voters, would amend Article 12, Section 6 of the state Constitution to make the State Department of Education a cabinet-level department with a secretary of public education appointed by the governor and would create a Public Education Commission.

Higher Education. Total FY04 recurring appropriations for higher education from both the General Appropriation Act and Senate Bill 655 (Chapter 83) are up over 5 percent for a total funding level of \$638.2 million (see Tables 10-12). The Legislature also made significant progress on funding the implementation of the "base-plus-incentive" higher education funding model. The appropriation includes the use of \$4.4 million from the general fund for research and other programs at the University of New Mexico Health Sciences Center for activities, previously supported with tobacco settlement program funds. The appropriation for higher education fully funds the basic costs of "opening the doors" in FY04 for public, post-secondary institutions. These costs include workload based on the recommended formula changes, the first phase of the conversion of the Taos Instructional Center to a branch campus, and an increase for athletic scholarships. The appropriation also funds the "base" component of the new higher education funding formula and incorporates other formula changes such as a 1.5 percent increase for library acquisition inflation and a 2 percent increase for utilities inflation. The Legislature also provides enhanced funding of \$768,400 for building renewal and replacement. The funding level assumes institutions will raise tuition in FY04 by 4 percent, compared with the assumption of 3 percent in FY03; however, an additional \$1 million of financial aid, in the form of the need-based state student incentive grant, is included for FY04. Salary increases of 3 percent for faculty and 2.5 percent for staff are included in the General Appropriation Act and Senate Bill 655 (Chapter 83) at a total cost of \$16.7 million. Further, an additional \$7.2 million for special project funding is available in FY04.

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In both FY03 and FY04, numerous special projects for post-secondary institutions are funded in Senate Bill 655 (Chapter 83). Among the FY03 appropriations is \$1.2 million to New Mexico State University for removal of phreatophytes, high-water-use plants (such as salt cedar). This appropriation is contingent on soil and water conservation districts taking certain actions, including developing management and restoration plans, conducting hearings to receive public input, providing prior public notice of application days and times, and monitoring and evaluating application effects, along with complying with federal law and recovery plans with respect to potential impacts on threatened or endangered species. Further, \$100,000 in FY04 is directed to a phreatophytes control pilot program involving goats on the Rio Grande. Other significant special project funding in FY03 includes \$750,000 to assist New Mexico Highlands University with accounts receivable and \$750,000 for distance education technology for teacher licensure at New Mexico State University.

The incentive component of the new funding formula recognizes institutional success in meeting the needs of students and the state, and authorizing legislation was enacted during the 2003 session to establish several incentive funds. Future legislatures will have the opportunity to consider appropriations for these funds. House Bill 391 (Chapter 367) creates the technology enhancement fund to support innovative, applied research to enhance New Mexico's economic growth. Research areas will include agriculture, biotechnology, biomedicine, energy, materials science, microelectronics, water resources, aerospace, telecommunications and manufacturing science. House Bill 394 (Chapter 368) creates the work force skills development fund to provide for the development, expansion and support of broad-based entry level high skills training programs at community colleges statewide. Senate Bill 370 (Chapter 389) establishes the higher education program development enhancement fund to address critical state issues, including work force and professional training, instructional program enhancements and development of mission-specific instructional programs. Finally, Senate Bill 369 (Chapter 388) creates the higher education performance fund to provide funds to public, post-secondary institutions meeting annual performance targets. House Joint Memorial 27 and Senate Joint Memorial 25 direct the Commission on Higher Education (CHE) to lead an effort to determine a process to allocate funding distributions from the performance fund to institutions. CHE is directed to report recommendations by September 30, 2003.

The Legislature appropriated a \$1 million for TANF funds to the newly created program development enhancement fund to be administered by CHE. These funds are targeted to enhance post-secondary education opportunities for persons with incomes below 200 percent of the federal poverty level, and support for the participants will be in the form of tuition for full time students enrolled in programs that result in professional nursing or teaching certification. Institutional direct costs and appropriate administrative costs are also authorized. The appropriation is contingent upon development of a program consistent with TANF funding guidelines.

In the area of performance-based budgeting, higher education fully implemented the requirements of the Accountability in Government Act through a new structure for the higher education appropriation language as well as inclusion of mission statements and performance measures for each institution in the General Appropriation Act. As well, the act directs CHE to report by July 1, 2003 on Native American recruitment, enrollment, retention and graduation rates along with an action plan to achieve targeted results.

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Finally, the General Appropriation Act includes funding of \$5 million to the State Department of Public Education for the adult basic education program; however, Senate Bill 691 (Chapter 394) authorizes these functions and associated state funding and resources be transferred to CHE.

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The Legislature appropriated money in Sections 5, 6, and 7 of the General Appropriation Act as follows (dollars in thousands). Additional detail is shown in Table 13.

Section	General Fund	Other State Funds	IS Funds/ IA Transfers	Federal Funds	Total
Section 5, Special Appropriations	19,673.0	5,726.4	-	-	25,399.4
Section 6, Supplemental and Deficiency Appropriations	64,629.9	3,467.0	-	188,534.1	256,631.0
Section 7, Data Processing Appropriations	-	20,900.0	-	37,158.8	58,058.8
Total	84,302.9	30,093.4	-	225,692.9	340,089.2

Of special appropriations from the general fund, \$5 million establishes a tax fraud unit at the Taxation and Revenue Department, \$300,000 is appropriated to both the student identification program and the Department of Health's receivership program, and \$13.2 million is allocated to the computer systems enhancement fund for major information technology projects outlined in Section 7 of the act.

Of supplemental and deficiency appropriations from the general fund, approximately \$57.9 million is to the Human Services Department for Medicaid and Child Support Enforcement Division deficiencies and for the Medical Assistance Division for a fiscal agent contract and system enhancements, \$2 million is for the Department of Health for payroll, drugs, supplies and utilities, and approximately \$1.5 million is for the Public School Insurance Authority for a risk program.

Approximately \$22 million of the appropriations made from the computer systems enhancement fund are for human services- and health-related systems.

IV. CAPITAL OUTLAY

The Legislature enacted a number of capital outlay bills relating to water and wastewater systems, roads, higher education and public school facilities, health care facilities, cultural facilities, public buildings and equipment and various other local projects across the state. The legislation will have a significant impact on the state's economy, public health and safety, and quality of life for citizens statewide. A summary of major capital funding is listed in Table 14.

House Bill 200 (Chapter 429) authorizes approximately \$141.3 million for 1,832 capital outlay projects statewide. The funding sources include approximately \$89.8 million from severance tax bond proceeds; \$28 million from the general fund; \$4.8 million from the game protection fund; \$5 million from the

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miners' trust fund; and \$4.5 million from the state road fund. In addition, the bill contains \$4 million for a state police helicopter and \$5 million for the Palace of the Governor's new history annex to be funded with short-term severance tax bonds and \$156,000 from Legislative Council Service cash balances for increased security of the state capitol building. The bill also reauthorizes 164 projects funded in previous years. The governors' line-item vetoes included six projects totaling \$110,000. Executive Message No. 109 emphasized the need for an improved capital outlay process and expressed concerns of amortizing small projects over a 10-year period with severance tax bonds. Further, Senate Bill 134 (Chapter 385) appropriates an additional \$8.9 million derived from nonrecurring general funds for 144 local projects statewide.

Five major issues dominating the state's capital needs, water and wastewater supply systems, health facilities, public school facilities, cultural properties and economic development incentives, received considerable support and funding from the Legislature and the executive.

Water and Wastewater Supply Systems. House Bill 882 (Chapter 134) requires the Board of Finance to authorize 10 percent of the estimated severance tax bonding capacity each year, approximately \$10 million in FY04, to be deposited in the water projects fund and used for funding water projects statewide as determined by the Water Trust Board. The legislation defines eligible water projects as those involving: 1) the storage, conveyance or delivery of water to end-users; 2) the implementation of federal Endangered Species Act collaborative programs; 3) the restoration of watersheds; 4) flood prevention; 5) conservation or 6) recycling, treatment or reuse of water.

Senate Bill 655 (Chapter 83) appropriates \$1 million to the Department of Finance and Administration for the water and wastewater planning fund administered by the New Mexico Finance Authority (NMFA) to provide grants, with conditions, to qualified entities for the feasibility and planning of water and wastewater systems.

Senate Bill 273 (Chapter 61) increases the aggregate amount of grants that may be made from the water and wastewater project grant fund (W&WWGF) for emergency public projects, without legislative authority, from \$3 million to \$6 million for fiscal years 2004 through 2006. The aggregate amount in FY07 and subsequent years authorized for emergency projects may not exceed \$3 million. The available grant capacity in W&WWGF is currently \$9 million.

Senate Bill 109 (Chapter 105) appropriates \$1.6 million from the public project revolving fund (PPRF) to the drinking water state revolving loan fund (DWRLF) to provide a 20 percent state match for a capitalization grant from the Environmental Protection Agency for implementation of the Drinking Water State Revolving Loan Fund Act.

Public School Capital Outlay. House Bill 992 (Chapter 238) provides that up to \$40 million in severance tax revenues be intercepted from transfer into the severance tax permanent fund. The revenue, approximately \$19.4 million in FY03, will support a supplemental severance tax "sponge" bond to be used for correcting public school deficiencies. It is anticipated FY03 public school capital outlay would increase from \$125 million to \$144 million.

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Senate Bill 513 (Chapter 147) amends the Public School Capital Outlay Act to create a Public School Facilities Authority to support the Public School Capital Outlay Council (PSCOC) in implementing the act. This provides oversight of school construction and renovations and ensures compliance with the new standards-based capital outlay program to take effect September 1, 2003. In addition, the legislation provides for preventive maintenance plans and a method for calculating amounts of school district participation in funding capital projects; amends the Technology for Education Act for calculating the percentage to be used in offsetting direct legislative appropriations to school districts for technology; amends the Public School Code; increases the state match for "SB 9" funding; appropriates \$1.1 million for the core administrative functions of the Deficiencies Correction Unit from the public school capital outlay fund; allows PSCOC to expend up to \$700,000 in additional funds for the core administrative functions; and appropriates \$1.25 million from the public school capital outlay fund for an updated public school assessment.

House Bill 195 (Chapter 158) amends the Teacher Housing Revenue Bond Act adopted in 2002 to add a specific nonimpairment clause with regard to the pledge of federal funds to repay bonds issued by a local school district. The legislation prevents the state from interfering in the agreements made with bondholders and local school boards until the bonds have been retired, assuring that the district will retain the ability to make prompt payment of bonds. This measure prevents the recapture of cash balances by the state and reduces hardships to districts as they work to retire their bond obligations.

Health Facilities Improvements. Senate Bill 804 (Chapter 341) authorizes an increase in the cigarette tax that will provide two new distributions of net receipts and authorizes NMFA to issue revenue bonds for the purpose of designing, constructing, equipping, furnishing and making other improvements at the University of New Mexico Health Sciences Center (UNMHSC), and for capital improvements to Department of Health (DOH) facilities. UNMHSC will receive approximately \$9.5 million and DOH \$4 million annually.

Senate Bill 655 (Chapter 83) appropriates \$500,000 in recurring general fund revenue to NMFA for the purpose of making loans to behavioral health clinics.

Cultural Facilities Improvements. House Bill 496 (Chapter 371) and House Bill 594 (Chapter 372) authorize more than \$5.7 million from the proceeds of state museum revenue bonds for much needed deferred maintenance and exhibit development at state-owned museums.

House Bill 845 (Chapter 430) provides a distribution of governmental gross receipts tax totaling \$220,000 per year to the Cultural Affairs Department (CAD). The revenue stream allows CAD to enter into loan agreements with NMFA for the purpose of making capital improvements at state museums. In addition, Senate Bill 655 (Chapter 83) contains a \$500,000 appropriation to match federal and other states' allocations for the Four Corners Monument.

Economic Development Incentives. Senate Bill 429 (Chapter 325) authorizes NMFA, without specific legislative authority, to make loans and grants in amounts of \$2 million each for projects designated as critical economic development under certain conditions through June 30, 2006 from the public project revolving fund. Loans cannot exceed \$20 million in any fiscal year. The secretary of the Economic

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Development Department must provide documentation that: 1) the project will have a substantial favorable economic impact and benefit to the entity; 2) financing will prevent a new business from choosing another location outside of the state or that the lack of financing will prevent an existing business from expanding in a timely manner; 3) there is evidence from the business detailing the new or expanded business opportunity and a description of the jobs to be provided along with the urgency of the public project; and 4) a resolution has been adopted by the governing body of the qualified entity approving the project and the need for financing. In addition, NMFA must find that the timing of the financing is so urgent that the project could be lost if delayed until specific legislative authorization can be obtained. The projects require review by the NMFA Legislative Oversight Committee.

Senate Bill 932 (Chapter 349) enacts the Statewide Economic Development Finance Act, which provides for creation of a statewide economic development finance program and authorizes NMFA to issue certain economic development bonds and make loan participation and guarantees on behalf of entities engaged in qualifying economic development projects. Qualifying projects for this financing include museums, theaters and other recreational and educational facilities operating as nonprofit entities. Not-for-profit hospitals are also eligible. The statute allows NMFA to issue tax exempt private activity bonds on behalf of small manufacturers and industrial revenue bonds. However, no funding mechanism is established for this legislation.

Other Significant Capital Outlay Issues. The following is a summary of other significant capital outlay issues passed during the Legislature in 2003:

House Bill 834 (Chapter 74) authorizes NMFA to provide loans to eligible entities for 273 statewide infrastructure projects totaling approximately \$500 million from the public project revolving fund (PPRF). The legislation requires eligible entities to certify to NMFA by the end of fiscal year 2006 if they are going to pursue a loan from the PPRF, otherwise the authorization will be void.

Senate Bill 841 (Chapter 139) amends the Water Project Finance Act to expand the scope of permitted projects to include conservation, recycling, treatment or reuse of water; broadens the definition of a “political subdivision” to include water and sanitation districts or an association organized and existing under the Sanitary Projects Act; expands the terms and conditions of grants or loans to give priority to projects that are in a regional water planning areas are urgent to meet the needs of the area, and have matching contributions from federal or local funding sources available; clarifies “endangered species” to means species so designated as a result of the Endangered Species Act; and requires NMFA approval of plans and specifications after review and recommendation by the State Engineer and Environment Department.

Senate Bill 843 (Chapter 140) provides legislative authority for the Water Trust Board (WTB) to make loans or grants for 14 qualifying water projects on terms and conditions established by WTB and NMFA. The projects will include water diversions; water supply systems; watershed restoration and management; salt cedar, Russian olive and mesquite eradication; and water quality and monitoring equipment projects in various parts of the state. The cost of approved projects will expend \$9.988 million of the available \$10 million currently available in the water project fund.

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House Bill 217 (Chapter 25) expands the definition of “qualified entities” to include an acequia association, public improvement district, federally chartered college in New Mexico, or a consortium of Indian entities located wholly or partially in New Mexico; and increases the allowable amount of an interim loan through the equipment program at any one time from \$500 to \$750.

Senate Bill 44 (Chapter 98) amends Section 4-62-1 NMSA 1978 to allow a county to issue "payment in lieu of taxes" (PILT) revenue bonds to repay all or part of the principle and interest of an outstanding loan owed by the county to NMFA.

Senate Bill 584 (Chapter 4) authorizes NMFA to issue up to \$3.9 million in revenue bonds for continuing construction of the Metropolitan Court facility in Albuquerque. Senate Bill 655 (Chapter 83) appropriates an additional \$500,000 for moving costs.

V. COMPENSATION

The General Appropriation Act (Chapter 76) and Supplemental Appropriation Act (Chapter 83) appropriate \$25.5 million from general fund to provide salary increases for legislative, judicial, district attorney, classified, exempt and state police employees, as well as faculty and staff of higher education. This provides sufficient funds for a 3 percent salary increase for general government employees effective the first full pay period after January 1, 2004, subject to satisfactory job performance. Effective the first full pay period after July 1, 2003, a 3 percent salary increase for higher education faculty and a 2½ percent salary increase for higher education staff are also authorized. The governor, however, vetoed the specific salary increase percentage for incumbents in agencies governed by the Personnel Act stating the administration needs flexibility to negotiate compensation distributions given the enactment of the Public Employee Bargaining Act (see Table 15).

VI. FIVE-YEAR FORECAST

Five-Year Forecast. To facilitate planning, the Legislature requested a five-year financial forecast shown on page 37. All revenues reflect the consensus five-year revenue projections prepared by the DFA, TRD, LFC and other agencies. The February revenue estimate is adjusted for 2003 legislation which includes enhanced audit and compliance revenues, tobacco settlement revenues, a cigarette tax increase and a premium tax increase. Dominating the revenue outlook is the personal income tax reduction in House Bill 167 (Chapter 2) which increases capital gains deductions and reduces the state's highest tax rates from their current maximum of 8.2 percent to 7.7 percent in tax year 2003, 6.8 percent in tax year 2004, 6.0 percent in tax year 2005, 5.3 percent in tax year 2006 and 4.9 percent in tax year 2007. Finally, the revenue component of this financial analysis assumes voter approval of Senate Joint Resolution 6 which increases distributions from the land grant permanent fund to the general fund. The full impact of this measure begins in FY05 and generates approximately \$60 million per year for the general fund.

Clearly, the revenue outlook can be relatively uncertain, particularly given the influence of volatile energy markets. For FY04, this model anticipates \$4.119 billion in recurring revenue, based on assumed prices of \$3.45/thousand cubic feet (mcf) for natural gas and \$23/barrel for crude oil. It is

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important to note an extrapolation of current futures market prices, adjusted for New Mexico differentials, indicates FY04 prices nearly \$5/mcf for natural gas and \$24/barrel for crude oil. For every \$0.10/mcf increase in natural gas prices, general fund revenue would increase by approximately \$12 million, while an additional \$1/barrel in crude oil prices would generate an additional \$3 million in recurring revenue for the general fund. In FY05 and beyond, the consensus estimate for natural gas and crude oil assumes prices will drift down to \$2.60/mcf and \$20/barrel, respectively, generally more consistent with historical prices. Many analysts believe, however, that these markets have moved to a new era of higher prices, leaving historical comparisons less relevant. It appears there may be substantial upside risk to the current forecast for the energy-related revenue given today's pricing environment. Clearly, natural resource-related revenues will be critical in determining the state's recurring financial surplus or deficit.

The second component of the analysis reflects an expenditure forecast based on growth drivers. The FY04 baseline for the expenditure forecast is the feed bill, General Appropriation Act and Supplemental General Appropriation Act. For FY05 through FY08, increases in Medicaid are based on the Congressional Budget Office's annual growth projection of 8.5 percent (although in New Mexico, client growth has been running approximately 10 percent). No growth is assumed for public safety (excluding corrections), all health and human services (excluding Medicaid) and "rest of government" (general control, commerce and industry, legislative, agriculture, and energy and natural resources). The remainder of state government (corrections, judiciary, public education and higher education) are assumed to grow at the projected consumer price index of approximately 2.4 percent annually from FY04 to FY08. Finally, the FY04 budget included partial year appropriations for public school and state employee salary increases and public school cash balances and public liability fund balances for recurring purposes. As shown, the use of partial year appropriations and fund balances will require additional general fund to provide full-year salary increases to employees in FY05 and beyond as well as to replace to balances.

There are other expenditure factors not specifically accounted for in the forecast that will have fiscal impact in out years. These include the final year implementation of full-day kindergarten (\$8 million), opening new museum complexes at the Department of Cultural Affairs in FY05 and FY06 and the potential replacement of other nonrecurring funding used for on-going operations such as the Department of Labor (\$3 million of Reed Act funds) and appropriations from the irrigation works construction fund (\$8 million) at the State Engineer.

On the other hand, the 2003 executive performance review led by DFA might deliver offsetting cost reductions. Based on the assumptions discussed above, the figures indicate an anticipated structural deficit beginning in FY05 of approximately \$140 million, reaching nearly \$400 million in FY08. As discussed throughout this report, many variables will change these results including energy prices, results of the fall 2003 special elections, medical cost inflation, inmate growth, and so forth.

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Recurring Revenue and Expenditure Forecast

Revenues:

Consensus Recurring Revenue Forecast (Adjusted For Legislation)

Plus - Increased Permanent Fund Distribution (SJR 6*)

Total Recurring Revenue

Revenue Increase (year over year)

(%percent)

Expenditures:

Medicaid

TANF

Other Health and Human Services

Corrections

Other Public Safety

Judicial

Public Education

Higher Education

Rest of Government

Agency Compensation

Subtotal

Spending Increase (year over year)

Use of Fund Balances and Partial Year Appropriations:

Plus - Replace Cash Balances for Schools

Plus - Full year salary increase for Public Schools

Plus - Replace Public Liability Fund Balances

Plus - Full year salary increase for State Agencies

Subtotal

Total Recurring Expenditures

Spending Increase (year over year)

(%percent)

Surplus/Deficit

*FY08 Consensus Revenue figure is assumed to grow at five year average

GAA	Forecast			
FY04	FY05	FY06	FY07	FY08*
4,118.8	4,072.0	4,116.3	4,148.3	4,165.0
	64.7	65.6	60.6	59.5
4,118.8	4,136.7	4,181.9	4,208.9	4,224.5
118.0	17.9	45.2	27.0	15.6
2.9%	0.4%	1.1%	0.6%	0.4%
407.6	442.2	479.8	520.6	564.9
33.4	33.0	33.0	33.0	33.0
467.7	467.7	467.7	467.7	467.7
201.4	206.6	211.6	216.7	222.1
77.4	77.4	77.4	77.4	77.4
134.9	138.4	141.7	145.1	148.8
1,888.5	1,937.6	1,984.1	2,031.7	2,082.5
635.0	651.5	667.1	683.1	700.2
255.8	255.8	255.8	255.8	255.8
8.8	10.0	10.0	10.0	10.0
4,110.4	4,220.3	4,328.3	4,441.2	4,562.4
212.4	109.9	108.0	112.9	121.2
0.0	16.4	16.4	16.4	16.4
0.0	27.8	27.8	27.8	27.8
0.0	3.0	3.0	3.0	3.0
0.0	8.8	8.8	8.8	8.8
0.0	56.0	56.0	56.0	56.0
4,110.4	4,276.3	4,384.3	4,497.2	4,618.4
212.4	165.9	108.0	112.9	121.2
5.4%	4.0%	2.5%	2.6%	2.7%
8.4	-139.6	-202.4	-288.3	-393.8

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Five Year Forecast Assumptions and Related Metrics

	FY02	FY03	FY04	FY05	FY06	FY07	FY08**
Growth ASSUMPTIONS:							
CPI (Based on Dec. WEFA Forecast)	1.3%	2.2%	2.3%	2.6%	2.4%	2.4%	2.5%
CBO Medicaid Projection	13.2%	6.4%	8.5%	8.5%	8.5%	8.5%	8.5%
Inmate Growth	6.4%	6.2%	5.6%	5.3%	4.6%	4.4%	4.4%
K-12 Student Growth	0.0%	0.3%	1.5%	1.5%	1.5%	1.5%	1.5%
K-12 Unit Growth	0.7%	0.2%	1.6%	1.6%	1.6%	1.6%	1.6%
Higher Ed Growth	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%
Population Growth	1.5%	1.5%	1.5%	1.4%	1.4%	1.4%	1.4%

NOTES:

- (1) TANF General Fund held flat at current levels; assumes federal grant reauthorized.
- (2) Other Health and Human Services base held constant FY05 - FY08.
- (3) Corrections, Judiciary, Public Education and Higher Ed to grows with CPI.
- (4) Rest of State government in FY05- FY08 is held flat at current level.
- (5) No FY03 Tobacco Program Fund Revenue included in recommendation.
- (6) Includes Tobacco Program funds as general fund revenue.
- (7) FY08 Consensus Revenue Forecast (CRF) figure is based on five-year average growth rate applied to FY07 CRF figure.
- (8) Assumes continuation of Tobacco Program Fund as part of General Fund in FY07 & FY08.

*SJR 6, a constitutional amendment to boost distribution rate from the Land Grant Permanent Fund from 4.7 percent to 5.8 percent would increase General Funds by \$65 million in FY05. Basic to this assumption is voter approval at a special general election prior to FY04.

** FY08 figures for inmate growth are held constant from FY07

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VII. STATUS OF COMMITTEE-SPONSORED LEGISLATION

In January, the Legislative Finance Committee voted to sponsor a package of legislation to be introduced in the Legislature in 2003. The package of bills included four bills and a joint memorial based on the recommendations of the higher education task force, a measure to enhance financial control and oversight of state agencies, an amendment to the tobacco settlement permanent fund statute, two bills relating to DWI legislation, and a change to the unemployment compensation law. Other legislation is listed below.

Fourteen bills passed both houses and were signed by the governor. The Contract Management Act (House Bill 338) and the interagency coordinating group bill (House Bill 373) as well as four of the higher education bills were vetoed through the governor's failure to act before the statutory deadline; however, the four higher education bills were duplicates of enacted bills (see chart below). The bill to clarify authority over the state road fund died when a committee tabled it indefinitely and three other bills died on adjournment through lack of action. Those bills would have: 1) created a state comptroller office, 2) allowed the use of mailed ballots for constitutional amendments and 3) increased certain DWI penalties and banned limited drivers' licenses for certain DWI offenders.

Two of the committee bills, the premium tax exemption bill and the tobacco settlement bill, were replaced with similar bills that passed. Senate Bill 331 (Chapter 58), similar to the committee's premium tax bill, passed both houses and was signed. Senate Bill 298 (Chapter 312) replaced the committee's tobacco settlement bill. In fiscal years 2003 through 2006, the law authorizes 100 percent of the distributions from the tobacco settlement permanent fund be distributed to the general fund, and in FY03 all unencumbered and unexpended balances in the tobacco settlement program fund will be transferred to the general fund. Starting in fiscal year 2007, and thereafter, 50 percent of the tobacco settlement fund will be distributed to the tobacco settlement program fund and 50 percent to the tobacco settlement permanent fund. The statute also provides that the tobacco settlement permanent fund shall be considered a reserve fund of the state and may be used to avoid unconstitutional deficits when other reserves are depleted.

House Bill 67 (Chapter 49) and Senate Bill 244 (Chapter 308) were duplicate bills that enhance oversight of information technology management.

The following chart provides a detailed status of the committee sponsored bills:

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LFC-SPONSORED LEGISLATION, 2003

Bill/Chapter Number	Bill Title	Bill Status	Sponsor
FINANCIAL CONTROL AND OVERSIGHT			
HB 219/Chapter 273	Financial Control and Oversight of State Agencies	Signed	Varela
HB 223	Create State Comptroller and Officer	API	Varela
HB 338	Contract Management Act	Pocket Veto	Saavedra
HB 67/Chapter 49 SB 244/Chapter 308	Amend Information Technology Management Amend Information Technology Management	Signed Signed	Varela Campos
HB 220/Chapter 215	Increase Mileage and Per Diem Rates	Signed	Varela
HIGHWAY			
SB 246	Clarify Authority Over State Road Fund	Tbld Indef	Altamirano
HB 249 SB 245	Limited Driver's License Availability Limited Driver's License Availability	API API	Larranaga Altamirano
HB 250/Chapter 51	Commercial Driver's License Changes	Signed	Larranaga
REVENUE			
SB 331/Chapter 58	Premium Tax Exemptions(Replaced Committee bill; no major changes)	Signed	Jennings
SB 298/Chapter 312	Abolish Tobacco Settlement Permanent Fund(Replaced Committee bill. SB298 puts 100% of tobacco settlement funds into General Fund.)	Signed	Aragon
HB 373	Interagency Coordinating Group	Pocket Veto	Saavadra
LABOR DEPARTMENT			
SB 558 HB 261/Chapter 47	Unemployment Compensation Benefits Amend Unemployment Compensation Law	Pocket Veto Signed	Altamirano Stewart
HIGHER EDUCATION			

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Bill/Chapter Number	Bill Title	Bill Status	Sponsor
HJM 27	Higher Education Performance Fund	Passed H/S	Salazar
SJM 25	Higher Education Performance Fund	Passed H/S	Campos
HB 391/Chapter 367	Create Technology Enhancement Fund	Signed	Salazar
SB 366	Create Technology Enhancement Fund	Pocket Veto	Campos
HB 392	Higher Ed Program Development Enhancement	Pocket Veto	Salazar
SB 370/Chapter 389	Higher Ed Program Development Enhancement	Signed	Campos
HB 393	Higher Education Performance Fund	Pocket Veto	Salazar
SB 369/Chapter 388	Higher Education Performance Fund	Signed	Campos
HB 394/Chapter 368	Work Force Skills Development	Signed	Salazar
SB 368	Work Force Skills Development	Pocket Veto	Campos
SB 377/Chapter 390	Tuition Scholarships	Signed	Altamirano
<i>SUNRISE/SUNSET</i>			
HB 145/Chapter 428	Extend Life of Various Boards	Signed	Salazar
OTHER			
HB 216	Mailed Ballots for Constitutional Amendments	API	Wallace

TABLE 1

GENERAL FUND FINANCIAL SUMMARY ¹
(Dollars in Millions)

	Actual	Estimated	Estimated
	2001-02	2002-03	2003-04
APPROPRIATION ACCOUNT			
Revenues:			
Recurring revenue	3,847.4	3,873.0	4,019.0
2003 proposed and enacted legislation		42.9	99.8
Total recurring revenue	3,847.4	3,915.9	4,118.8
2003 proposed and enacted legislation		20.4	25.1
Nonrecurring revenue ⁽²⁾	88.6	30.8	0.5
Total revenue	3,936.0	3,967.1	4,144.4
Appropriations:			
GAA recurring appropriations	3,769.0	3,862.8	4,076.5
Recurring appropriations in other 2001 bills	74.9	0.0	0.0
Recurring appropriations in other 2002 bills ⁽³⁾	30.4	11.2	0.0
Recurring appropriations in other 2003 bills	0.0	21.8	34.1
Subtotal recurring	3,874.3	3,895.8	4,110.6
Nonrecurring appropriations 2001	54.1	0.0	0.0
Nonrecurring appropriations 2002 ^(4,5)	120.3	3.6	2.0
Nonrecurring appropriations 2003	0.0	152.0	0.0
Subtotal nonrecurring	174.4	155.6	2.0
Total appropriations	4,048.7	4,051.4	4,112.6
Transfer to (from) operating reserve	(112.7)	(84.4)	31.9
OPERATING RESERVE			
Beginning balance	267.2	154.8	63.2
Appropriations ⁽⁶⁾	(0.4)	(7.2)	(1.5)
Transfers from state support reserve account	0.0	0.0	0.0
Transfers from/to appropriation account	(112.7)	(84.4)	31.9
Other transfers in	0.7	0.0	0.0
Ending balance	154.8	63.2	93.6
APPROPRIATION CONTINGENCY FUND			
Beginning balance	94.0	77.9	61.5
Disaster allotments & other expenditures ⁽⁷⁾	(25.4)	(29.5)	(12.0)
Revenue and reversions ⁽⁸⁾	9.3	13.1	0.0
Ending balance	77.9	61.5	49.5
TOBACCO PERMANENT FUND ⁽⁹⁾			
Beginning balance	N/A	57.0	57.0
Transfers in	N/A	42.9	37.2
Transfers out	N/A	(42.9)	(37.2)
Ending balance	N/A	57.0	57.0
TAX STABILIZATION RESERVE			
Beginning balance	87.7	87.7	77.7
Transfers out ⁽¹⁰⁾	0.0	(10.0)	(20.0)
Ending balance	87.7	77.7	57.7
ENDING BALANCES	320.4	259.5	257.8

Reserve Margin as Percent of Appropriations 6.3%

1) Totals may not add due to independent rounding. FY02 totals reflect audit revisions.

2) FY03 total increased by \$6.5 million to reflect an unanticipated Medicaid reversion.

3) FY03 consists of legislative expenses as mandated by Laws 2002, Chapter 1.

4) FY03 total consists of expenditures for Eagles Nest Lake as authorized by Laws 2002, Chapter 2.

5) FY04 consists of \$2.0 million for faculty endowments (Laws 2002, Chapter 4, Section 5).

6) FY03 consists of \$3.5 million contingent appropriation for corrections and \$664 thousand for CSEF.

Also included is a contingent FY03 appropriation of \$3 million for litigation expenses by the attorney general as mandated by Laws of 2002, Chapter 4, Section 5. FY04 represents an estimate of BOF emergencies.

7) FY03 includes disaster allotments of \$10 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.

8) FY03 total is an estimate for federal reimbursements for the 2002 fire season.

9) SB298 allows the tobacco settlement permanent fund to be counted as a reserve account.

10) Expenditures for water related purposes mandated by Laws 2002, Chapter 109.

GENERAL FUND FINANCIAL SUMMARY - DETAIL

LFC Econ

TABLE 2

General Fund Consensus Revenue Estimates
(dollars in millions)

	FY02	FY03				FY04			
	Actual	Feb. 03	Feb. 03* Adjusted for Legislation	Change	% Change From FY02	Feb. 03	Feb. 03* Adjusted for Legislation	Change	% Change From FY03
Gross Receipts	1,274.3	1,320.0	1,320.0	0.0	3.6%	1,365.0	1,376.0	11.0	4.2%
Compensating	36.0	38.0	38.0	0.0	5.5%	39.0	38.8	(0.2)	2.2%
TOTAL GENERAL SALES	1,310.3	1,358.0	1,358.0	0.0	3.6%	1,404.0	1,414.9	10.9	4.2%
Tobacco (luxury)	18.0	17.7	17.7	0.0	-1.6%	17.6	48.2	30.6	172.3%
Alcohol	24.7	25.4	25.4	0.0	2.9%	24.8	24.8	0.0	-2.4%
Insurance	51.8	49.0	49.0	0.0	-5.4%	50.0	82.0	32.0	67.3%
Fire Protection	24.6	25.0	25.0	0.0	1.7%	26.0	26.0	0.0	4.0%
Public Utilities	8.3	8.5	8.5	0.0	2.1%	8.7	8.7	0.0	2.4%
Motor Vehicle Excise	107.0	111.0	111.0	0.0	3.8%	117.0	117.0	0.0	5.4%
Gaming	28.9	40.0	40.0	0.0	38.3%	42.0	42.0	0.0	5.0%
Leased Vehicle Surcharge	6.4	6.4	6.4	0.0	0.6%	6.5	6.5	0.0	1.6%
Other	2.1	2.0	2.0	0.0	-4.8%	2.0	2.0	0.0	0.0%
TOTAL SELECTIVE SALES	271.7	285.0	285.0	0.0	4.9%	294.6	357.2	62.6	25.3%
NET PIT	1,025.7	970.0	970.0	0.0	-5.4%	1,047.0	1,037.2	(9.8)	6.9%
NET CIT	141.7	120.0	120.0	0.0	-15.3%	135.0	134.8	(0.3)	12.3%
Estate	21.2	15.0	15.0	0.0	-29.2%	10.0	10.0	0.0	-33.3%
Subtotal Income Taxes	1,188.6	1,105.0	1,105.0	0.0	-7.0%	1,192.0	1,181.9	(10.1)	7.0%
Oil and Gas School Tax	205.1	212.6	212.6	0.0	3.6%	209.0	209.0	0.0	-1.7%
Oil Conservation Tax	10.8	11.5	11.5	0.0	6.8%	11.2	10.6	(0.6)	-8.0%
Resources Excise	5.4	5.5	5.5	0.0	2.7%	5.5	5.5	0.0	0.0%
Natural Gas Processors	20.3	21.4	21.4	0.0	5.6%	14.8	14.8	0.0	-30.8%
TOTAL SEVERANCE TAXES	241.5	251.0	251.0	0.0	3.9%	240.5	239.9	(0.6)	-4.4%
TOTAL LICENSE FEES	30.9	30.5	30.5	0.0	-1.3%	31.1	32.6	1.5	6.9%
LGPF	258.0	275.6	275.6	0.0	6.8%	280.0	280.0	0.0	1.6%
STO Interest	55.9	32.0	32.0	0.0	-42.7%	32.0	32.0	0.0	0.0%
STPF	159.2	171.0	171.0	0.0	7.4%	172.0	172.0	0.0	0.6%
TOTAL INTEREST	473.1	478.6	478.6	0.0	1.2%	484.0	484.0	0.0	1.1%
Federal Mineral Leasing	229.3	256.4	256.4	0.0	11.8%	262.6	262.6	0.0	2.4%
State Land Office	19.9	22.5	22.5	0.0	13.0%	21.5	21.5	0.0	-4.4%
TOTAL RENTS & ROYALTIES	249.2	278.9	278.9	0.0	11.9%	284.1	284.1	0.0	1.9%
Tribal Gaming	18.7	33.0	33.0	0.0	76.5%	34.7	34.7	0.0	5.2%
Tobacco Settlement Revenue	0.0	0.0	42.9	42.9	0.0%		37.2	37.2	-13.3%
TOTAL MISCELLANEOUS RECEIPTS	30.5	28.0	28.0	0.0	-8.2%	28.0	26.4	(1.7)	-5.9%
Reversions	32.8	25.0	31.5	6.5	-3.9%	26.0	26.0	0.0	-17.5%
TOTAL RECURRING	3,847.4	3,873.0	3,922.4	49.4	2.0%	4,019.0	4,118.8	99.8	5.0%
Tribal Gaming	88.6	0.0	0.0	0.0	-100.0%	0.0	0.0	0.0	0.0%
Non-Recurring Other **	0.0	24.3	44.7	20.4	0.0%	0.5	25.6	25.1	-42.7%
TOTAL NON-RECURRING	88.6	24.3	44.7	20.4	-49.6%	0.5	25.6	25.1	-42.7%
Grand Total	3,936.0	3,897.3	3,967.1	69.8	0.8%	4,019.5	4,144.4	124.9	4.5%

1. Totals may not add due to independent rounding.

* Adjusted for 2003 Legislation

** FY02 consists of tribal gaming back payment. FY03 total includes \$13 million in estate tax, \$0.5 million for tribal gaming back payments, \$5.7 million for SLO settlements, and \$5.1 million for state office building GRT bond reversions. FY04 consists of \$0.5 million for tribal gaming back payments.

**RECURRING GENERAL FUND AGENCY SUMMARY
FISCAL YEAR 2004
(dollars in thousands)**

TABLE 3

Code	Department Name	FY03 Operating Budget	LFC Total Recommend	Exec Total Recommend	Chapter 76 Based On Governor's Action	SB 655 Chapter 83	Chapter 76 Plus Chapter 83	Dollar Change	Percent Change	GF Percent of Total
FEED BILL:										
111	LEGISLATIVE COUNCIL SERVICE	4,272.8		4,086.1	4,383.1		4,383.1	110.3	2.6%	0.1%
112	LEGISLATIVE FINANCE COMMITTEE	2,967.1	2,967.1	2,962.4	2,982.1		2,982.1	15.0	0.5%	0.1%
114	SENATE CHIEF CLERK	921.7	920.8	920.8	920.8		920.8	(0.9)	-0.1%	0.0%
115	HOUSE CHIEF CLERK	877.2	880.5	877.2	887.9		887.9	10.7	1.2%	0.0%
117	LEGISLATIVE EDUCATION STUDY COMMITTEE	846.9	958.3	846.4	913.6		913.6	64.7	7.6%	0.0%
131	LEGISLATURE	1,284.9	1,284.9	1,284.9	1,284.9		1,284.9	-	0.0%	0.0%
LEGISLATIVE										
		11,172.6	11,112.7	10,967.8	11,372.4	-	11,372.4	199.8	1.8%	0.3%
GENERAL APPROPRIATION ACT:										
111	ENERGY COUNCIL DUES	31.9		32.0	32.0		32.0	0.1	0.3%	0.0%
111	LEGISLATIVE RETIREMENT	225.5	218.0	226.0	218.0		218.0	(7.5)	-3.3%	0.0%
119	LEGISLATIVE MAINTENANCE DEPARTMENT	2,874.0	3,149.9	3,059.7	3,143.5		3,143.5	269.5	9.4%	0.1%
LEGISLATIVE										
		3,131.4	3,399.9	3,317.7	3,393.5	-	3,393.5	262.1	8.4%	0.1%
205	SUPREME COURT LAW LIBRARY	1,343.4	1,435.0	1,361.9	1,415.0		1,415.0	71.6	5.3%	0.0%
208	NEW MEXICO COMPILATION COMMISSION	-	-	-	-		-	-	#DIV/0!	0.0%
210	JUDICIAL STANDARDS COMMISSION	376.2	360.1	375.5	359.0		359.0	(17.2)	-4.6%	0.0%
215	COURT OF APPEALS	4,329.5	4,316.6	4,316.6	4,340.5		4,340.5	11.0	0.3%	0.1%
216	SUPREME COURT	2,152.1	2,158.2	2,126.5	2,124.4		2,124.4	(27.7)	-1.3%	0.1%
218	ADMINISTRATIVE OFFICE OF THE COURTS	26,949.4	27,132.0	27,896.3	27,062.7	450.0	27,512.7	563.3	2.1%	0.7%
219	SUPREME COURT BUILDING COMMISSION	634.9	633.4	663.3	652.3		652.3	17.4	2.7%	0.0%
231	FIRST JUDICIAL DISTRICT COURT	4,292.8	4,281.1	4,328.4	4,371.2		4,371.2	78.4	1.8%	0.1%
232	SECOND JUDICIAL DISTRICT COURT	15,480.9	15,490.6	15,436.8	15,454.5	40.2	15,494.7	13.8	0.1%	0.4%
233	THIRD JUDICIAL DISTRICT COURT	3,622.0	3,613.3	3,621.6	3,607.1	300.0	3,907.1	285.1	7.8%	0.1%
234	FOURTH JUDICIAL DISTRICT COURT	1,049.7	1,056.4	1,060.8	1,061.6		1,061.6	11.9	1.1%	0.0%
235	FIFTH JUDICIAL DISTRICT COURT	3,850.8	3,864.3	3,832.9	3,837.9		3,837.9	(12.9)	-0.3%	0.1%
236	SIXTH JUDICIAL DISTRICT COURT	1,348.5	1,396.7	1,347.1	1,395.0	275.0	1,670.0	321.5	23.8%	0.0%
237	SEVENTH JUDICIAL DISTRICT COURT	1,410.6	1,403.3	1,404.6	1,404.3		1,404.3	(6.3)	-0.4%	0.0%
238	EIGHTH JUDICIAL DISTRICT COURT	1,669.3	1,659.6	1,667.0	1,656.3		1,656.3	(11.0)	-0.7%	0.0%
239	NINTH JUDICIAL DISTRICT COURT	1,779.9	1,754.4	1,755.5	1,753.1		1,753.1	(26.8)	-1.5%	0.0%
240	TENTH JUDICIAL DISTRICT COURT	571.9	567.7	569.1	568.8		568.8	(3.1)	-0.5%	0.0%
241	ELEVENTH JUDICIAL DISTRICT COURT	3,109.3	3,100.1	3,176.5	3,281.8		3,281.8	172.5	5.5%	0.1%
242	TWELFTH JUDICIAL DISTRICT COURT	1,766.6	1,745.0	1,755.6	1,744.4		1,744.4	(22.2)	-1.3%	0.0%
243	THIRTEENTH JUDICIAL DISTRICT COURT	2,522.2	2,548.9	2,695.0	2,894.6	50.0	2,944.6	422.4	16.7%	0.1%
244	BERNALILLO COUNTY METROPOLITAN COURT	14,101.2	14,411.4	14,582.1	14,467.2	500.0	14,967.2	866.0	6.1%	0.4%
251	FIRST JUDICIAL DISTRICT ATTORNEY	3,020.3	3,156.1	3,015.8	3,145.4		3,145.4	125.1	4.1%	0.1%
252	SECOND JUDICIAL DISTRICT ATTORNEY	12,434.8	12,687.3	12,546.0	12,653.4		12,653.4	218.6	1.8%	0.3%
253	THIRD JUDICIAL DISTRICT ATTORNEY	2,701.3	2,617.7	2,602.1	2,611.8		2,611.8	(89.5)	-3.3%	0.1%
254	FOURTH JUDICIAL DISTRICT ATTORNEY	1,952.2	2,005.0	1,985.0	2,002.1		2,002.1	49.9	2.6%	0.0%
255	FIFTH JUDICIAL DISTRICT ATTORNEY	2,803.9	2,879.4	2,827.4	2,870.6		2,870.6	66.7	2.4%	0.1%
256	SIXTH JUDICIAL DISTRICT ATTORNEY	1,456.6	1,456.8	1,380.2	1,555.3		1,555.3	98.7	6.8%	0.0%
257	SEVENTH JUDICIAL DISTRICT ATTORNEY	1,689.7	1,690.2	1,682.4	1,683.2		1,683.2	(6.5)	-0.4%	0.0%
258	EIGHTH JUDICIAL DISTRICT ATTORNEY	1,905.7	1,890.8	1,862.2	1,862.2		1,862.2	(43.5)	-2.3%	0.0%
259	NINTH JUDICIAL DISTRICT ATTORNEY	1,724.0	1,743.3	1,711.8	1,729.9		1,729.9	5.9	0.3%	0.0%
260	TENTH JUDICIAL DISTRICT ATTORNEY	655.6	665.1	649.2	657.6		657.6	2.0	0.3%	0.0%
261	ELEVENTH JUDICIAL DISTRICT ATTORNEY	2,134.0	2,254.4	2,230.9	2,252.4		2,252.4	118.4	5.5%	0.1%
262	TWELFTH JUDICIAL DISTRICT ATTORNEY	1,927.8	1,942.6	1,903.8	1,940.1		1,940.1	12.3	0.6%	0.0%
263	THIRTEENTH JUDICIAL DISTRICT ATTORNEY	2,416.9	2,565.4	2,562.6	2,561.6		2,561.6	144.7	6.0%	0.1%
264	ADMINISTRATIVE OFFICE OF THE DISTRICT ATTORNEYS	870.1	903.4	888.9	902.3	53.0	955.3	85.2	9.8%	0.0%
265	ELEVENTH JUDICIAL DISTRICT ATTORNEY, DIV II	1,420.1	1,424.9	1,398.4	1,419.2		1,419.2	(0.9)	-0.1%	0.0%
JUDICIAL										
		131,474.2	132,813.5	133,219.6	133,300.8	1,668.2	134,969.0	3,494.8	2.7%	3.3%

RECURRING GENERAL FUND AGENCY SUMMARY
FISCAL YEAR 2004
(dollars in thousands)

TABLE 3

Code	Department Name	FY03 Operating Budget	LFC Total Recommend	Exec Total Recommend	Chapter 76 Based On Governor's Action	SB 655 Chapter 83	Chapter 76 Plus Chapter 83	Dollar Change	Percent Change	GF Percent of Total
305	ATTORNEY GENERAL	12,337.9	12,358.4	12,368.4	12,325.6		12,325.6	(12.3)	-0.1%	0.3%
308	STATE AUDITOR	2,017.0	1,966.0	2,161.8	2,160.1		2,160.1	143.1	7.1%	0.1%
333	TAXATION AND REVENUE DEPARTMENT	53,228.7	52,476.6	53,063.4	52,300.2		52,300.2	(928.5)	-1.7%	1.3%
337	STATE INVESTMENT COUNCIL								#DIV/0!	0.0%
341	DEPARTMENT OF FINANCE AND ADMINISTRATION	9,735.1	9,735.1	9,721.8	9,762.6	3,927.6	13,690.2	3,955.1	40.6%	0.3%
342	PUBLIC SCHOOL INSURANCE AUTHORITY	-	-	-	-	-	-	-	#DIV/0!	0.0%
343	RETIREE HEALTH CARE AUTHORITY	-	-	10.0	10.0	-	-	10.0	#DIV/0!	0.0%
344	DFA SPECIAL APPROPRIATIONS	3,307.9	3,307.4	2,160.9	3,796.4		3,796.4	490.5	14.8%	0.1%
350	GENERAL SERVICES DEPARTMENT	11,071.1	10,739.0	10,458.1	10,451.1	100.0	10,551.1	(520.0)	-4.7%	0.3%
352	EDUCATIONAL RETIREMENT BOARD	-	-	-	-	-	-	-	#DIV/0!	0.0%
354	CRIMINAL & JUVENILE JUSTICE COORD COUNCIL	274.4	256.8	274.4	256.8		256.8	(17.6)	-6.4%	0.0%
355	PUBLIC DEFENDER DEPARTMENT	28,603.7	27,774.2	28,603.7	28,257.3		28,257.3	(346.4)	-1.2%	0.7%
366	GOVERNOR	2,060.3	2,060.3	3,464.3	3,561.4	200.0	3,761.4	1,701.1	82.6%	0.1%
360	LIEUTENANT GOVERNOR	446.7	440.0	550.6	550.3		550.3	103.6	23.2%	0.0%
361	INFORMATION TECHNOLOGY MANAGEMENT OFFICE	770.5	767.6	746.5	853.3		853.3	82.8	10.7%	0.0%
366	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION	-	-	-	-	-	-	-	#DIV/0!	0.0%
369	STATE COMMISSION OF PUBLIC RECORDS	1,936.1	1,981.5	1,922.5	1,981.3		1,981.3	45.2	2.3%	0.0%
370	SECRETARY OF STATE	2,870.5	2,805.2	2,710.5	2,795.6	90.0	2,885.6	15.1	0.5%	0.1%
378	PERSONNEL BOARD	3,703.9	3,581.3	3,691.7	3,691.7		3,691.7	(12.2)	-0.3%	0.1%
394	STATE TREASURER	3,134.2	3,186.2	3,184.3	3,183.5		3,183.5	49.3	1.6%	0.1%
	GENERAL CONTROL	133,488.0	133,754.0	134,766.7	133,938.2	4,317.6	140,256.8	4,758.8	3.5%	3.4%
404	BOARD OF EXAMINERS FOR ARCHITECTS	-	-	-	-	-	-	-	#DIV/0!	0.0%
417	BORDER AUTHORITY	204.3	201.6	350.8	200.8	150.0	350.8	146.5	71.7%	0.0%
418	TOURISM DEPARTMENT	8,698.7	8,429.6	8,481.2	8,426.7		8,426.7	(272.0)	-3.1%	0.2%
419	ECONOMIC DEVELOPMENT DEPARTMENT	6,001.5	5,820.7	5,894.4	5,962.5	200.0	6,162.5	161.0	2.7%	0.1%
420	REGULATION & LICENSING DEPARTMENT	11,875.4	11,455.4	11,469.4	11,303.9	1,500.0	12,803.9	928.5	7.8%	0.3%
430	PUBLIC REGULATION COMMISSION	12,447.5	12,274.2	12,692.8	12,231.1	550.0	12,781.1	333.6	2.7%	0.3%
446	NEW MEXICO BOARD OF MEDICAL EXAMINERS	-	-	-	-	-	-	-	#DIV/0!	0.0%
449	BOARD OF NURSING	-	-	-	-	-	-	-	#DIV/0!	0.0%
460	NEW MEXICO STATE FAIR	-	-	-	-	-	-	-	#DIV/0!	0.0%
464	ST BRD LICENSURE/ PROF ENGINEERS & SURVEYORS	-	-	-	-	-	-	-	#DIV/0!	0.0%
465	GAMING CONTROL BOARD	4,930.1	4,930.1	4,896.4	4,896.5		4,896.5	(33.6)	-0.7%	0.1%
469	STATE RACING COMMISSION	1,551.8	1,579.8	1,565.3	1,559.8		1,559.8	8.0	0.5%	0.0%
479	BOARD OF VETERINARY MEDICINE	-	-	-	-	-	-	-	#DIV/0!	0.0%
480	BICYCLE RACING COMMISSION	-	-	50.0	-	-	-	-	#DIV/0!	0.0%
	COMMERCE AND INDUSTRY	45,709.3	44,691.4	45,430.3	44,581.3	2,400.0	46,981.3	1,272.0	2.8%	1.1%
505	OFFICE OF CULTURAL AFFAIRS	23,556.5	23,556.5	23,013.6	23,576.9	10.0	23,586.9	32.4	0.1%	0.6%
508	NEW MEXICO LIVESTOCK BOARD	626.0	622.2	625.7	621.3		621.3	(4.7)	-0.8%	0.0%
516	DEPARTMENT OF GAME AND FISH	124.8	124.8	150.0	124.6	50.0	174.6	49.8	39.9%	0.0%
521	ENERGY, MINERALS AND NATURAL RESOURCES	19,351.6	18,768.6	18,710.2	18,683.0		18,683.0	(668.6)	-3.5%	0.5%
522	YOUTH CONSERVATION CORPS	-	-	-	-	-	-	-	#DIV/0!	0.0%
539	COMMISSIONER OF PUBLIC LANDS	-	-	-	-	-	-	-	#DIV/0!	0.0%
550	STATE ENGINEER	15,228.6	15,228.6	14,699.1	14,739.2		14,739.2	(489.4)	-3.2%	0.4%
569	ORGANIC COMMODITY COMMISSION	204.0	195.5	240.3	242.4		242.4	38.4	18.8%	0.0%
	AGRICULTURE, ENERGY & NAT'L RESOURCES	53,091.5	58,496.2	57,438.9	57,989.4	60.0	58,049.4	(1,042.1)	-1.8%	1.4%
601	COMMISSION ON THE STATUS OF WOMEN	449.4	460.4	447.0	448.5		448.5	(0.9)	-0.2%	0.0%
603	OFFICE OF AFRICAN AMERICAN AFFAIRS	99.8	100.0	99.8	250.0	50.0	300.0	200.2	200.6%	0.0%
604	CMNS/DEAF AND HARD-OF-HEARING PERSONS	587.7	487.8	485.7	-	-	-	(587.7)	-100.0%	0.0%
605	MARTIN LUTHER KING, JR. COMMISSION	185.3	185.9	184.6	184.8		184.8	(0.5)	-0.3%	0.0%
606	COMMISSION FOR THE BLIND	1,524.5	1,449.5	1,466.1	1,447.0		1,447.0	(77.5)	-5.1%	0.0%

RECURRING GENERAL FUND AGENCY SUMMARY
FISCAL YEAR 2004
(dollars in thousands)

TABLE 3

Code	Department Name	FY03 Operating Budget	LFC Total Recommend	Exec Total Recommend	Chapter 76 Based On Governor's Action	SB 655 Chapter 83	Chapter 76 Plus Chapter 83	Dollar Change	Percent Change	GF Percent of Total
609	NEW MEXICO OFFICE OF INDIAN AFFAIRS	1,543.9	1,541.2	1,567.3	1,887.0	115.0	2,002.0	458.1	29.7%	0.0%
624	STATE AGENCY ON AGING	20,760.8	20,760.5	20,912.8	21,461.8	50.0	21,511.8	751.0	3.6%	0.5%
630	HUMAN SERVICES DEPARTMENT	414,497.3	425,439.0	470,238.4	470,737.8	400.0	471,137.8	56,640.5	13.7%	11.5%
631	LABOR DEPARTMENT	1,846.7	1,794.8	1,083.2	1,084.7	300.0	1,384.7	(462.0)	-25.0%	0.0%
632	WORKERS' COMPENSATION ADMINISTRATION	-	-	-	-	-	-	-	#DIV/0!	0.0%
644	DIVISION OF VOCATIONAL REHABILITATION	5,267.8	5,278.0	5,091.7	5,279.6	100.0	5,377.9	110.1	2.1%	0.1%
645	GOVERNOR'S CMTE ON CONCERNS OF THE HANDICAPPED	534.6	528.6	515.9	527.6	16.0	543.6	9.0	1.7%	0.0%
647	DEVELOPMENTAL DISABILITIES PLANNING COUNCIL	388.0	380.0	403.1	402.8	-	402.8	14.8	3.8%	0.0%
662	MINERS' HOSPITAL OF NEW MEXICO	-	-	-	-	-	-	-	#DIV/0!	0.0%
665	DEPARTMENT OF HEALTH	232,833.5	234,451.9	244,598.0	243,100.4	3,765.0	246,865.4	14,031.9	6.0%	6.0%
667	DEPARTMENT OF ENVIRONMENT	14,203.2	14,213.7	13,685.7	14,174.1	(29.1)	14,145.0	(29.1)	-0.2%	0.3%
668	OFFICE OF THE NATURAL RESOURCES TRUSTEE	199.2	207.8	236.2	237.8	237.8	237.8	38.6	19.4%	0.0%
669	NEW MEXICO HEALTH POLICY COMMISSION	1,393.9	1,387.7	1,363.3	1,382.4	1,382.4	1,382.4	(11.5)	-0.8%	0.0%
670	NEW MEXICO VETERANS' SERVICE COMMISSION	1,730.2	1,721.7	1,678.2	1,720.0	1,720.0	1,720.0	(10.2)	-0.6%	0.0%
690	CHILDREN, YOUTH & FAMILIES DEPARTMENT	133,154.7	134,953.3	134,576.0	137,523.0	825.0	138,348.0	5,193.3	3.9%	3.4%
HEALTH, HOSPITALS & HUMAN SERVICES		831,200.5	845,341.8	898,633.0	907,847.6	5,621.0	907,468.6	76,268.1	9.2%	22.1%
705	DEPARTMENT OF MILITARY AFFAIRS	4,429.8	4,363.2	4,944.2	4,942.6	2.0	4,944.6	514.8	11.6%	0.1%
760	PAROLE BOARD	359.0	349.7	349.2	348.6	(10.4)	348.6	(10.4)	-2.9%	0.0%
765	JUVENILE PAROLE BOARD	338.5	349.3	341.8	348.2	-	348.2	9.7	2.9%	0.0%
770	CORRECTIONS DEPARTMENT	194,070.3	200,442.8	199,577.4	200,863.1	530.0	201,393.1	7,322.8	3.8%	4.9%
780	CRIME VICTIMS REPARATION COMMISSION	1,515.1	1,515.1	1,704.2	1,689.5	-	1,689.5	174.4	11.5%	0.0%
790	DEPARTMENT OF PUBLIC SAFETY	69,486.0	69,838.2	71,135.6	70,077.4	-	70,077.4	591.4	0.9%	1.7%
PUBLIC SAFETY		270,198.7	276,858.3	278,052.4	278,268.4	532.0	278,801.4	8,602.7	3.2%	6.8%
805	STATE HIGHWAY & TRANSPORTATION DEPARTMENT	-	-	-	-	-	-	-	#DIV/0!	0.0%
TRANSPORTATION		-	-	-	-	-	-	-	#DIV/0!	0.0%
924	STATE DEPARTMENT OF PUBLIC EDUCATION	8,803.2	9,047.2	10,969.0	9,352.6	4,200.0	13,552.6	4,749.4	54.0%	0.3%
925	OTHER EDUCATION	3,243.5	3,145.7	2,645.5	7,431.6	-	7,431.6	4,188.1	129.1%	0.2%
926	NEW MEXICO SCHOOL FOR THE VISUALLY HANDICAPPED	-	11.5	-	11.5	-	11.5	11.5	#DIV/0!	0.0%
927	NEW MEXICO SCHOOL FOR THE DEAF	3,174.9	3,188.1	3,175.0	3,188.1	-	3,188.1	13.2	0.4%	0.1%
928	ADULT BASIC EDUCATION	4,790.4	4,790.5	4,790.4	5,000.0	-	5,000.0	209.6	4.4%	0.1%
940	DEFICIENCIES CORRECTION UNIT	-	-	-	-	-	-	-	#DIV/0!	0.0%
OTHER EDUCATION		20,012.0	20,183.0	21,579.9	24,983.8	4,200.0	29,183.8	9,171.8	45.8%	0.7%
960	COMMISSION ON HIGHER EDUCATION	23,550.5	26,017.4	23,524.4	24,664.1	1,294.0	25,958.1	2,407.6	10.2%	0.6%
962	UNIVERSITY OF NEW MEXICO	235,427.4	237,977.9	238,846.4	241,241.6	225.0	241,466.6	6,039.2	2.6%	5.9%
964	NEW MEXICO STATE UNIVERSITY	149,016.8	149,697.5	147,003.0	148,794.4	860.0	149,654.4	637.6	0.4%	3.6%
966	NEW MEXICO HIGHLANDS UNIVERSITY	21,559.6	23,402.6	22,513.0	23,252.6	-	23,252.6	1,693.0	7.9%	0.6%
968	WESTERN NEW MEXICO UNIVERSITY	14,637.6	14,822.9	14,428.0	14,743.9	350.0	15,093.9	456.3	3.1%	0.4%
980	EASTERN NEW MEXICO UNIVERSITY	34,181.3	34,709.4	34,726.1	34,926.1	200.0	34,926.1	707.8	2.1%	0.8%
982	NM INSTITUTE OF MINING & TECHNOLOGY	29,291.6	30,276.1	29,761.1	30,155.8	300.0	30,455.8	1,164.2	4.0%	0.7%
984	NORTHERN NM COMMUNITY COLLEGE	7,696.8	7,860.1	7,802.3	7,832.9	-	7,832.9	136.1	1.8%	0.2%
986	SANTA FE COMMUNITY COLLEGE	10,449.5	10,659.3	10,536.6	10,596.5	400.0	10,996.5	547.0	5.2%	0.3%
988	TECHNICAL VOCATIONAL INSTITUTE	36,151.0	39,787.0	39,108.7	39,439.8	-	39,439.8	3,288.8	9.1%	1.0%
970	LUNA VOCATIONAL TECHNICAL INSTITUTE	6,209.1	6,115.0	6,046.7	6,073.0	-	6,073.0	(136.1)	-2.2%	0.1%
972	MESALANDS COMMUNITY COLLEGE	2,190.3	2,201.7	2,164.1	2,186.4	-	2,186.4	(3.9)	-0.2%	0.1%
974	NEW MEXICO JUNIOR COLLEGE	7,410.6	7,343.2	7,466.8	7,466.8	-	7,466.8	56.2	0.8%	0.2%
976	SAN JUAN COLLEGE	14,812.8	15,535.6	14,067.5	15,440.7	300.0	15,740.7	927.9	6.3%	0.4%
977	CLOVIS COMMUNITY COLLEGE	9,095.8	9,076.4	8,968.5	9,022.7	-	9,022.7	(73.1)	-0.8%	0.2%

RECURRING GENERAL FUND AGENCY SUMMARY
FISCAL YEAR 2004
(dollars in thousands)

TABLE 3

Code	Department Name	FY03 Operating Budget	LFC Total Recommend	Exec Total Recommend	Chapter 76 Based On Governor's Action	SB 655 Chapter 83	Chapter 76 Plus Chapter 83	Dollar Change	Percent Change	GF Percent of Total
978	NEW MEXICO MILITARY INSTITUTE	-	-	-	-	-	-	-	#DIV/0!	0.0%
980	HIGHER EDUCATION COMPENSATION	-	12,335.3	18,502.8	15,419.1	-	15,419.1	15,419.1	#DIV/0!	0.4%
	HIGHER EDUCATION	601,717.7	627,969.4	624,775.6	631,056.4	3,929.0	634,985.4	33,267.7	5.5%	15.4%
993	PUBLIC SCHOOL SUPPORT	1,788,563.7	1,823,289.7	1,839,165.6	1,859,273.8	-	1,859,273.8	70,710.1	4.0%	45.2%
995	PUBLIC SCHOOL COMPENSATION	-	34,281.4	-	-	-	-	-	#DIV/0!	0.0%
	PUBLIC SCHOOL SUPPORT	1,788,563.7	1,857,571.1	1,839,165.6	1,859,273.8	-	1,859,273.8	70,710.1	4.0%	45.2%
995	STATE AGENCY COMPENSATION	-	5,823.0	5,916.8	5,823.0	-	5,823.0	5,823.0	#DIV/0!	0.1%
	COMPENSATION	-	5,823.0	5,916.8	5,823.0	-	5,823.0	5,823.0	#DIV/0!	0.1%
	TOTAL GENERAL APPROPRIATION ACT	3,886,597.0	4,006,901.6	4,042,296.5	4,076,458.2	22,727.8	4,099,186.0	212,589.0	5.5%	99.7%
	TOTAL FEED BILL AND GENERAL APPROPRIATION ACT	3,897,769.6	4,018,014.3	4,053,264.3	4,087,830.6	22,727.8	4,110,558.4	212,788.8	5.5%	100.0%
	FED BILL:									
	LEGISLATIVE	11,172.6	11,112.7	10,967.8	11,372.4	-	11,372.4	199.8	1.8%	0.3%
	GENERAL APPROPRIATION ACT:									
	LEGISLATIVE	3,131.4	3,399.9	3,317.7	3,393.5	-	3,393.5	262.1	8.4%	0.1%
	JUDICIAL	131,474.2	132,813.5	133,219.6	133,300.8	1,668.2	134,969.0	3,494.8	2.7%	3.3%
	GENERAL CONTROL	135,498.0	133,754.0	134,766.7	135,939.2	4,317.6	140,256.8	4,758.8	3.5%	3.4%
	COMMERCE & INDUSTRY	45,709.3	44,591.4	45,430.3	44,581.3	2,400.0	46,981.3	1,272.0	2.8%	1.1%
	AG., ENERGY & NATURAL RESOURCES	59,091.5	58,496.2	57,438.9	57,989.4	60.0	58,049.4	(1,042.1)	-1.8%	1.4%
	HEALTH, HOSPITALS & HUMAN SERVICES	831,200.5	845,341.8	898,633.0	901,847.6	5,621.0	907,468.6	76,268.1	9.2%	22.1%
	PUBLIC SAFETY	270,198.7	276,858.3	278,052.4	278,269.4	532.0	278,801.4	8,602.7	3.2%	6.8%
	TRANSPORTATION	-	-	-	-	-	-	-	#DIV/0!	0.0%
	OTHER EDUCATION	20,012.0	20,183.0	21,579.9	24,983.8	4,200.0	29,183.8	9,171.8	45.8%	0.7%
	HIGHER EDUCATION	601,717.7	627,969.4	624,775.6	631,056.4	3,929.0	634,985.4	33,267.7	5.5%	15.4%
	PUBLIC SCHOOL SUPPORT	1,788,563.7	1,857,571.1	1,839,165.6	1,859,273.8	-	1,859,273.8	70,710.1	4.0%	45.2%
	COMPENSATION	-	5,823.0	5,916.8	5,823.0	-	5,823.0	5,823.0	#DIV/0!	0.1%
	TOTAL GENERAL APPROPRIATION ACT	3,886,597.0	4,006,901.6	4,042,296.5	4,076,458.2	22,727.8	4,099,186.0	212,589.0	5.5%	99.7%
	TOTAL FEED BILL AND GENERAL APPROPRIATION	3,897,769.6	4,018,014.3	4,053,264.3	4,087,830.6	22,727.8	4,110,558.4	212,788.8	5.5%	100.0%

Note: Final Based on Governor's Action includes general fund reductions for the following items: \$724.7 in veto's and \$1,400.0 for contingent appropriations.

TABLE 4

**CHAPTER 83 - SUPPLEMENTAL GENERAL APPROPRIATION ACT
GENERAL FUND AND OTHER STATE FUNDS**

Item	Code	Agency	Total General Fund			Total Other State Funds			Description
			GF FY04 Rec	GF FY03 Non Rec	GF FY03 Rec	OSF FY04 Rec	OSF FY03 Non Rec	OSF FY03 Rec	
1	441	Legislative-Council-Service	-	250.0	-	-	-	-	To study and develop a financing plan for universal health care.
2	100	Legislative Council Service	-	20.0	-	-	-	-	Land Grant committee - Legislation required
3	245	Court of Appeals	-	40.0	-	-	-	-	Architectural design study for remodeling Albuquerque facility
4	218	Administrative Office of the Courts	50.0	-	-	-	-	-	Administrative Costs - Dona Ana Magistrate
5	218	Administrative Office of the Courts	-	-	100.0	-	-	-	Salaries and benefits for magistrate courts statewide
6	248	Administrative Office of the Courts	-	40.0	-	-	-	-	Study: Lease vs. purchase Las Cruces Magistrate court facility
7	218	Administrative Office of the Courts	-	-	1,500.0	-	-	-	Replace federal funds - HB 190 required
8	218	Administrative Office of the Courts	400.0	-	-	-	-	-	Water rights adjudication
9	218	Administrative Office of the Courts	-	-	-	-	-	1,500.0	CONTINGENCY: From the local DWI Grant Fund to replace federal funds for drug courts - HB 190 required
10	218	Administrative Office of the Courts	-	-	-	100.0	-	-	From the Magistrate and Metropolitan Court Capital Fund to acquire property for or to plan, design, construct, furnish or equip a new magistrate court building in Las Cruces
11	218	Administrative Office of the Courts	-	-	-	-	-	450.0	From the Magistrate Court Warrant Enforcement Fund for 2003 leases
12	218	Administrative Office of the Courts	-	-	-	711.0	-	-	Magistrate court video arraignment and to study lease versus build for Dona Ana Magistrate
13	232	Second Judicial Court	40.2	-	-	-	-	-	Probation officer, 1 FTE
14	232	Second Judicial Court	90.0	-	-	-	-	-	Staff attorney
15	233	Third Judicial District Court	300.0	-	-	-	-	-	New Judgeship and associated costs
16	236	Sixth Judicial District Court	275.0	-	-	-	-	-	New Judgeship and associated costs
17	241	Eleventh Judicial Court	66.4	-	-	-	-	-	Personal services, contracts
18	241	Eleventh Judicial Court	-	100.0	-	-	-	-	Furniture for the Juvenile Justice Complex
19	243	Thirteenth Judicial District Court	50.0	-	-	-	-	-	Operational costs
20	244	Bernalillo County Metropolitan Court	500.0	-	-	-	-	-	Operational costs
21	244	Bernalillo County Metropolitan Court	-	213.0	-	-	-	-	Establish mental health court
22	244	Bernalillo County Metropolitan Court	-	500.0	-	-	-	-	Moving costs
23	244	Bernalillo County Metropolitan Court	-	-	-	1,850.0	-	-	From the Magistrate and Metropolitan Court Capital Fund to complete construction, furnishing and equipping the new building
24	254	Fourth Judicial District Attorney	-	375.0	-	-	-	-	Santa Rosa cases
25	259	Ninth Judicial District Attorney	100.0	-	-	-	-	-	Increase funding for DA operations
26	261	Eleventh Judicial District Attorney	-	145.0	-	-	-	-	DWI operating costs
27	261	Eleventh Judicial District Attorney	-	75.0	-	-	-	-	Capital Crime prosecution
28	263	Thirteenth Judicial District Attorney	-	25.0	-	-	-	-	Furniture
29	264	Administrative Office of DA's	53.0	-	-	-	-	-	Network/Software specialist, 1 FTE
30	305	Attorney General	-	50.0	-	-	-	-	For a Guadalupe Hidalgo treaty division
31	333	Taxation and Revenue Dept.	50.0	-	-	-	-	-	Lease of building for MVD office in Mora
32	341	Dept. of Finance & Admin.	-	500.0	-	-	-	-	Four Corner Monument - NM share
33	341	Dept. of Finance & Admin.	-	100.0	-	-	-	-	Child abuse and neglect citizens review board
34	341	Dept. of Finance & Admin.	100.0	-	-	-	-	-	Food delivery for home-bound in Santa Fe
35	341	Dept. of Finance & Admin.	-	121.0	-	-	-	-	Santa Fe farmers market
36	341	Dept. of Finance & Admin.	20.0	-	-	-	-	-	Fund certain mariachi activities
37	341	Dept. of Finance & Admin.	-	190.0	-	-	-	-	Dynamic revenue forecasting
38	341	Dept. of Finance & Admin.	100.0	-	-	-	-	-	CONTINGENCY: Individual Development Account Act, contingent on HB 35
39	341	Dept. of Finance & Admin.	120.0	-	-	-	-	-	Increase funding for Council of Governments
40	341	Dept. of Finance & Admin.	-	75.0	-	-	-	-	Chaves county low income housing survey
41	341	Dept. of Finance & Admin.	75.0	-	-	-	-	-	County reimbursement for prisoner extradition - Legislation required
42	341	Dept. of Finance & Admin.	100.0	-	-	-	-	-	Solid waste program in Valencia county
43	341	Dept. of Finance & Admin.	40.0	-	-	-	-	-	Taos youth build program
44	341	Dept. of Finance & Admin.	60.0	-	-	-	-	-	Taos food sector opportunity program
45	341	Dept. of Finance & Admin.	-	164.9	-	-	-	-	Grant county emergency loan program
46	341	Dept. of Finance & Admin.	2,949.6	-	-	-	-	-	One percent compensation increase for state employees
47	341	Dept. of Finance & Admin.	-	600.0	-	-	-	-	Cumbres railroad shortfalls due to fires & steam engine repairs (BOF)
48	341	Dept. of Finance & Admin.	-	50.0	-	-	-	-	Complete an asset inventory statewide

TABLE 4

**CHAPTER 83 - SUPPLEMENTAL GENERAL APPROPRIATION ACT
GENERAL FUND AND OTHER STATE FUNDS**

				Total General Fund			Total Other State Funds			
Item	Code	Agency	GF FY04 Rec	GF FY03 Non Rec	GF FY03 Rec	OSF FY04 Rec	OSF FY03 Non Rec	OSF FY03 Rec	Description	
49	341	Dept. of Finance & Admin.	-	50.0	-	-	-	-	Facilitation of process between Indian entities and governments	
50	341	Dept of Finance & Admin.	100.0	-	-	-	-	-	Establishing NM sentencing commission - Legislation required	
51	341	Dept of Finance & Admin.	-	1,000.0	-	-	-	-	For the NM Finance Authority's water and waste water planning fund	
52	341	Dept. of Finance & Admin.	-	-	-	-	-	-	Rape crisis and related programs	
53	341	Dept. of Finance & Admin.	-	-	-	-	-	-	Domestic violence programs	
54	341	Dept. of Finance & Admin.	78.0	50.0	-	-	-	-	Create cabinet agencies	
55	341	Dept. of Finance & Admin.	-	-	-	-	-	-	Create Homeland Security Department	
56	341	Dept of Finance & Admin.	500.0	-	-	-	-	-	For New Mexico Finance Authority - loans for behavioral health clinics	
57	341	Dept of Finance & Admin.	-	500.0	-	-	-	-	To continue operation, development and implementation of Human Resource System	
58	341	Dept of Finance & Admin.	-	-	-	-	-	300.0	CONTINGENCY: From the local DWI Grant Fund for ignition interlock devices - SB 266 required	
59	350	General Services Dept.	100.0	-	-	-	-	-	CONTINGENCY: Telecom access act fund	
60	350	General Services Dept.	-	702.0	-	-	-	-	Increased insurance costs	
61	355	Public Defender Department	-	-	-	375.0	-	-	From FY03 cash balance for Santa Rosa cases	
62	356	Governor	-	-	327.0	-	-	-	Establish PELB	
63	356	Governor	-	-	100.0	-	-	-	Las Cruces satellite office	
64	356	Governor	200.0	-	50.0	-	-	-	Create Homeland Security Department	
65	360	Lieutenant Governor	-	-	75.0	-	-	-	Equal pay commission	
66	369	State Commission of Public Records	-	15.0	-	-	-	-	State historian website and educational development	
67	369	State Commission of Public Records	-	70.0	-	-	-	-	For a records management system	
68	370	Secretary of State	-	50.0	-	-	-	-	CONTINGENCY: Electronic campaign reporting system, contingent upon SB 22	
69	370	Secretary of State	90.0	-	-	-	-	-	Voter identification cards	
70	370	Secretary of State	-	1,250.0	-	-	-	-	FY03 SPECIAL: Revolving fund for electronic voting systems - Legislation required	
71	417	Border Authority	150.0	-	-	-	-	-	Expand Border Authority	
72	418	Department of Tourism	150.0	-	-	-	-	-	Recognize historic trails in NM	
73	418	Department of Tourism	-	1,500.0	-	-	-	-	Promotion	
74	419	Economic Development Department	-	50.0	-	-	-	-	To promote Las Cruces as the top small metropolitan area for business & careers and places to retire	
75	419	Economic Development Department	-	75.0	-	-	-	-	To develop a strategic plan for attracting and retaining film production companies	
76	419	Economic Development Department	-	50.0	-	-	-	-	Contract for services for quality business, education etc.	
77	419	Economic Development Department	-	200.0	-	-	-	-	Business incubators in Southeast Albuquerque	
78	419	Economic Development Department	100.0	-	-	-	-	-	NM rural development response council	
79	419	Economic Development Department	-	300.0	-	-	-	-	Contract for manufacturing extension services	
80	419	Economic Development Department	-	1,750.0	-	-	-	-	Recruitment and marketing	
81	419	Economic Development Department	-	150.0	-	-	-	-	Office of Military Base Planning and Support	
82	419	Economic Development Department	100.0	-	-	-	-	-	NM-Chihuahua economic development commission	
83	419	Economic Development Department	-	7,000.0	-	-	-	-	In-Plant Training	
84	420	Regulation and Licensing	1,500.0	-	-	-	-	-	CONTINGENCY: Authorizes \$1.5 million in general fund for personal services/employee benefits & operating expenses contingent upon SB 574 and SB	
85	430	Public Regulation Commission	550.0	-	-	-	-	-	Additional funding for actuaries and staff at Insurance Division	
86	430	Public Regulation Commission	100.0	-	-	-	-	-	Insurance Division Attorney	
87	505	Office of Cultural Affairs	-	10.0	-	-	-	-	To purchase "A New Mexico Story: The Bataan-Death-March" for every public library; middle school, junior high school and high school library and every armory	
88	505	Office of Cultural Affairs	-	20.0	-	-	-	-	Symphonic education services at the National Hispanic Cultural Center	
89	505	Office of Cultural Affairs	-	100.0	-	-	-	-	Establish NM film museum	
90	505	Office of Cultural Affairs	-	60.0	-	-	-	-	Anthony valley community library	
91	505	Office of Cultural Affairs	-	200.0	-	-	-	-	Youth education in performing arts program in Santa Fe	
92	505	Office of Cultural Affairs	-	75.0	-	-	-	-	Education programs in historic preservation and regionalism	
93	505	Office of Cultural Affairs	10.0	-	-	-	-	-	South valley library materials	
94	505	Office of Cultural Affairs	46.6	-	-	-	-	-	Two FTE for Jemez monument employees	

TABLE 4

**CHAPTER 83 - SUPPLEMENTAL GENERAL APPROPRIATION ACT
GENERAL FUND AND OTHER STATE FUNDS**

			Total General Fund				Total Other State Funds				Description
Item	Code	Agency	GF FY04 Rec	GF FY03 Non Rec	GF FY03 Rec	OSF FY04 Rec	OSF FY03 Non Rec	OSF FY03 Rec			
95	605	Office of Cultural Affairs	100.0	-	-	-	-	-	Increase Fort-Selden staff		
96	605	Office of Cultural Affairs	60.0	-	-	-	-	-	Operations and improvements at Lincoln monument		
97	505	Office of Cultural Affairs	-	100.0	-	-	-	-	Operations and improvements at Lincoln monument		
98	505	Office of Cultural Affairs	-	50.0	-	-	-	-	Southern NM art exhibit in fine arts building in Santa Fe		
99	505	Office of Cultural Affairs	-	50.0	-	-	-	-	Old Mesilla plaza		
100	505	Office of Cultural Affairs	-	-	-	-	-	-	For a public information officer		
101	516	Department of Game and Fish	50.0	-	-	-	-	-	Endangered species, personal services and contract		
102	516	Department of Game and Fish	-	-	-	-	300.0	-	From the Game Protection Fund for Eagle Nest Lake park		
103	521	EMNRD	-	50.0	-	-	-	-	Mesilla valley bosque state park		
104	521	EMNRD	-	80.0	-	-	-	-	Hydrogen fuel cell demonstration project - Legislation required		
105	521	EMNRD	-	100.0	-	-	-	-	Pipeline study		
106	539	Commissioner of Public Lands	-	100.0	-	-	-	-	Litigation fees		
107	539	Commissioner of Public Lands	-	-	-	100.0	-	-	CONTINGENCY: From the State Lands Maintenance Fund for natural resource revenue recovery task force - HB 452 required		
108	550	Office of State Engineer	-	50.0	-	-	-	-	For a deep aquifer study in Lea County		
109	550	Office of State Engineer	-	1,500.0	-	-	610.0	-	WATERS data base - OSF from the NM Irrigation Works Construction Fund		
110	550	Office of State Engineer	-	1,150.0	-	-	-	100.0	Adjudication Pecos & Lower Rio Grande		
111	550	Office of State Engineer	-	300.0	-	-	-	-	Water planning		
112	550	Office of State Engineer	-	-	-	-	2,500.0	-	From the Improvement of Rio Grande Income Fund for litigation expenses regarding federal natural resource policies		
113	603	Office of African Affairs	50.0	-	-	-	-	-	Cultural and historical		
114	604	Commission for Deaf & Hard of Hearing	-	50.0	-	-	-	-	Outreach efforts		
115	609	Office of Indian Affairs	50.0	-	-	-	-	-	Isleta recreation center operations		
116	609	Office of Indian Affairs	-	38.0	-	-	-	-	Develop San Juan pueblo information system for 911 project		
117	609	Office of Indian Affairs	40.0	-	-	-	-	-	Walatowa visitor center		
118	609	Office of Indian Affairs	25.0	-	-	-	-	-	Sandoval Indian voting program		
119	609	Office of Indian Affairs	-	-	50.0	-	-	-	For the Jicarilla Apache historic preservation program		
120	624	State Agency on Aging	-	50.0	-	-	-	-	For rent payments at the temporary Cimarron senior center		
121	624	State Agency on Aging	100.0	-	-	-	-	-	Program support		
122	624	State Agency on Aging	50.0	-	-	-	-	-	Alzheimer's & related dementia respite care		
123	630	Human Services Dept.	50.0	-	-	-	-	-	Food bank association for the "back pac" food program		
124	630	Human Services Dept.	-	150.0	-	-	-	-	Prescriptions for seniors - Legislation required		
125	630	Human Services Dept.	350.0	-	-	-	-	-	Homeless programs: shelter, transitional housing, meals, support services		
126	630	Human Services Dept.	-	-	100.0	-	-	-	Counseling inmates on child support		
127	630	Human Services Dept.	-	200.0	-	-	-	-	For completion of FY02 audit		
128	630	Human Services Dept.	-	-	1,100.0	-	-	-	For operating costs of SSALSA		
129	630	Human Services Dept.	-	1,350.0	-	-	-	-	For food stamp reimbursement costs		
130	630	Human Services Dept.	-	-	-	-	-	-	Earmarks up to \$2.0 million and allows \$100.0 for federal match for Medicaid in schools		
131	631	Department of Labor	-	20.0	-	-	-	-	Create equal pay task force - Legislation required		
132	631	Dept. of Labor	300.0	-	-	-	-	-	Restore funding for at-risk youth program		
133	632	Workers' Compensation Administration	-	-	-	-	-	50.0	From the Workers' Compensation Administration Fund for workbooks and advertising		
134	644	Div of Vocational Rehabilitation	100.0	-	-	-	-	-	VRD - Independent Living Services statewide		
135	645	Gov's Concerns on Handicapped	16.0	-	-	-	-	-	One-half FTE for GAP program		
136	665	Department of Health	-	-	-	-	-	-	Mental health services		
137	665	Department of Health	850.0	-	-	-	-	-	Developmental disabilities - pay parity between DD federal waiver and state DD program		
138	665	Department of Health	2,000.0	-	-	-	-	-	Reduce DD waiting list - 167 additional slots		
139	665	Department of Health	250.0	-	-	-	-	-	DOH receivership		
140	665	Department of Health	-	40.0	-	-	-	-	Las Cruces rape crisis center		
141	665	Department of Health	-	-	-	-	-	-	Farmers' market nutrition program		

TABLE 4

**CHAPTER 83 - SUPPLEMENTAL GENERAL APPROPRIATION ACT
GENERAL FUND AND OTHER STATE FUNDS**

Item	Code	Agency	Total General Fund			Total Other State Funds			Description
			GF FY04 Rec	GF FY03 Non Rec	GF FY03 Rec	OSF FY04 Rec	OSF FY03 Non Rec	OSF FY03 Rec	
142		665 Department of Health	-	175.0	-	-	-	-	For the Women's Health Services Family Care and Counseling Center in Santa Fe
143		665 Department of Health	50.0	-	-	-	-	-	Farmers market nutrition program
144		665 Department of Health	25.0	-	-	-	-	-	Respite care for developmentally disabled
145		665 Department of Health	50.0	-	-	-	-	-	Emergency contraception act - Legislation required
146		665 Department of Health	100.0	-	-	-	-	-	Native American HIV and AIDS services
147		665 Department of Health	-	100.0	-	-	-	-	Software for commodity-supplemental food program
148		665 Department of Health	100.0	-	-	-	-	-	Black tar heroin prevention program
149		665 Department of Health	15.0	-	-	-	-	-	Sickle cell program
150		665 Department of Health	100.0	-	-	-	-	-	Community learning center in the south valley
151		665 Department of Health	75.0	-	-	-	-	-	West Las Vegas-based health clinic
152		665 Department of Health	150.0	-	-	-	-	-	Rehab center and pharmacy program in Roswell
153		665 Department of Health	250.0	-	-	-	-	-	Health Service Corps
154		665 Department of Health	-	120.0	-	-	-	-	To provide statewide sexual assault treatment and prevention programs
155		665 Department of Health	-	-	1,000.0	-	-	-	For rape crisis and related programs
156		665 Department of Health	-	-	-	-	-	300.0	From FY02 cash balances for nursing management
157		667 Department of Environment	-	44.0	-	-	-	-	For a statewide environmental assessment and inventory
158		667 Department of Environment	-	200.0	-	-	-	-	Two year appropriation for ozone pollution solution in Northwest NM
159		669 Health Policy Commission	-	-	-	-	-	-	To study and develop a financing plan for universal health care
160		670 NM Veterans' Service Commission	-	-	-	50.0	-	-	Taps at funerals
161		690 Children, Youth & Families Dept.	800.0	-	-	-	-	-	Restore funding to adult protective services
162		690 Children, Youth & Families Dept.	-	-	-	-	-	-	Sexual assault treatment and prevention
163		690 Children, Youth & Families Dept.	100.0	-	-	-	-	-	At-risk youth retail program in Bernalillo county
164		690 Children, Youth & Families Dept.	25.0	-	-	-	-	-	Northeast NM youth shelter
165		690 Children, Youth & Families Dept.	-	1,500.0	-	-	-	-	Costs associated with Joseph A. class action
166		690 Children, Youth & Families Dept.	-	-	1,000.0	-	-	-	For domestic violence programs
167		705 Office of Military Affairs	2.0	-	-	-	-	-	Administrative costs for State Defense Force
168		770 Corrections Dept.	30.0	-	-	-	-	-	NM women's correctional facilities child visitation
169		770 Corrections Dept.	50.0	-	-	-	-	-	Female incarceration task force - Legislation required
170		770 Corrections Dept.	500.0	-	-	-	-	-	To reduce the projected inmate population by approximately 300 inmates in FY04
171		790 Department of Public Safety	-	750.0	-	-	-	-	Vehicle replacement
172		790 Department of Public Safety	-	400.0	-	-	-	-	Lab backlog
173		790 Department of Public Safety	-	100.0	-	-	-	-	Domestic violence training
174		924 State Department of Public Education	-	10.0	-	-	-	-	For the Santa Fe volleyball team
175		924 State Department of Public Education	-	100.0	-	-	-	-	For curriculum development in social studies for NM history
176		924 State Department of Public Education	-	100.0	-	-	-	-	Charter school incubation services
177		924 State Department of Public Education	-	200.0	-	-	-	-	Research-based reform efforts
178		924 State Department of Public Education	165.0	-	-	-	-	-	Education resource center
179		924 State Department of Public Education	-	2,000.0	-	-	-	-	Computerized system aligning PS curricula to Terra Nova tests
180		924 State Department of Public Education	-	1,000.0	-	-	-	-	School library material set - Legislation required
181		924 State Department of Public Education	100.0	-	-	-	-	-	"Kindergarten-Plus"-extending kindergarten for high poverty areas - Legislation required
182		924 State Department of Public Education	100.0	-	-	-	-	-	Santa Fe museum-based summer day camp
183		924 State Department of Public Education	30.0	-	-	-	-	-	Accelerated reader program for Taylor mid - school
184		924 State Department of Public Education	270.0	-	-	-	-	-	Personnel development programs/future teachers training - Legislation required
185		924 State Department of Public Education	20.0	-	-	-	-	-	Accelerated math program for Taylor mid - school
186		924 State Department of Public Education	4,000.0	-	-	-	-	-	Funding for arts education - to be distributed through the State Equalization Guarantee
187		924 State Department of Public Education	500.0	-	-	-	-	-	To provide a minimum salary for substitute teachers at 75% of average beginning-teacher's salary
188		928 Adult Basic Education	-	50.0	-	-	-	-	SUPPLEMENTAL: FY03 fund adult basic education at NMSU Alamogordo
189		950 Commission on Higher Education	-	155.0	-	-	-	-	For San Juan College to develop public school training programs
190		950 Commission on Higher Education	-	-	2,000.0	-	-	-	Expansion of nursing programs

TABLE 4

**CHAPTER 83 - SUPPLEMENTAL GENERAL APPROPRIATION ACT
GENERAL FUND AND OTHER STATE FUNDS**

Item	Code	Agency	Total General Fund			Total Other State Funds			Description
			GF FY04 Rec	GF FY03 Non Rec	GF FY03 Rec	OSF FY04 Rec	OSF FY03 Non Rec	OSF FY03 Rec	
191	950	Commission on Higher Education	-	-	300.0	-	-	-	For high skills training
192	950	Commission on Higher Education	-	3,000.0	-	-	-	-	Endowed chairs
193	950	Commission on Higher Education	1,294.0	-	-	-	-	-	To provide an additional one-half percent salary increase for faculty
194	952	University of New Mexico	150.0	144.7	-	-	-	-	Southwest Research Center
195	952	University of New Mexico	100.0	-	-	-	-	-	Anderson School of Business
196	952	University of New Mexico	-	300.0	-	-	-	-	For Taos branch campus to develop training programs for manpower development of miners in Northern NM
197	952	University of New Mexico	-	43.0	-	-	-	-	Feasibility study on a passage rail system from Juarez, Mexico to Denver, CO
198	952	University of New Mexico	-	100.0	-	-	-	-	UNM Philosophy Department scholarship fund
199	952	University of New Mexico	-	165.0	-	-	-	-	Census dissemination & demographic analysis
200	952	University of New Mexico	50.0	-	-	-	-	-	Corrine Wolfe children's law center
201	952	University of New Mexico	25.0	-	-	-	-	-	Mock trials
202	952	University of New Mexico	-	50.0	-	-	-	-	Mock trials
203	952	University of New Mexico	100.0	-	-	-	-	-	Expand the manufacturing engineering program
204	952	University of New Mexico	8.6	-	-	-	-	-	Restore FY03 appropriation level for Morrissey Hall research
205	954	New Mexico State University	150.0	-	-	-	-	-	Range Improvement Task Force - conduct quantitative forage monitoring and assessments on public lands
206	954	New Mexico State University	650.0	-	-	-	-	-	Phreatophyte eradication and control
207	954	New Mexico State University	-	1,200.0	-	-	-	-	Phreatophyte eradication and control
208	954	New Mexico State University	-	200.0	-	-	-	-	Start-up funding for the Center for Border Superintendency
209	954	New Mexico State University	100.0	-	-	-	-	-	Farmington agriculture science center
210	954	New Mexico State University	-	750.0	-	-	-	-	Teacher distance education-startup with language
211	954	New Mexico State University	300.0	-	-	-	-	-	Statewide agricultural programs
212	954	New Mexico State University	25.0	-	-	-	-	-	Partnership-parenting-education program
213	954	New Mexico State University	50.0	-	-	-	-	-	Farmers market promotion
214	954	New Mexico State University	180.0	-	-	-	-	-	For administration of new farm bill programs in NM
215	954	New Mexico State University	130.0	-	-	-	-	-	Expand chile industry
216	954	New Mexico State University	-	100.0	-	-	-	-	Preservation of "New Mexican" wild horses
217	954	New Mexico State University	50.0	-	-	-	-	-	Establish a 4-H program in Mora
218	954	New Mexico State University	100.0	-	-	-	-	-	Pilot program for using goats on the Rio Grande - Legislation required
219	956	New Mexico Highlands University	-	750.0	-	-	-	-	Assist institution with accounts receivable
220	958	Western New Mexico University	250.0	-	-	-	-	-	Child development center
221	958	Western New Mexico University	100.0	-	-	-	-	-	Bachelor of Science in nursing program
222	960	Eastern New Mexico University	150.0	-	-	-	-	-	Social Work Program
223	960	Eastern New Mexico University	50.0	-	-	-	-	-	Public TV facilities program, digital TV
224	962	New Mexico Institute of Mining & Tech	200.0	-	-	-	-	-	Matching funds for DOE grant - Petroleum Recovery Research Center
225	962	New Mexico Institute of Mining & Tech	200.0	-	-	-	-	-	IGASA
226	962	New Mexico Institute of Mining & Tech	100.0	-	-	-	-	-	NM Tech EMRTC
227	964	Northern NM Community College	-	230.0	-	-	-	-	For a middle school science and math teacher training program
228	964	Northern NM Community College	-	50.0	-	-	-	-	To plan, develop and implement a curriculum for a middle college program
229	966	Santa Fe Community College	400.0	-	-	-	-	-	Small Business Development Centers
230	976	San Juan College	75.0	-	-	-	-	-	San Juan county underserved youth
231	976	San Juan College	200.0	-	-	-	-	-	Nursing education program - Legislation required
232	976	San Juan College	100.0	-	-	-	-	-	San Juan college oil and gas job training
Grand Total			22,727.8	35,920.6	7,752.0	3,136.0	3,510.0	2,600.0	

TABLE 5

**Medicaid Program General Fund Change
FY03 to FY04**

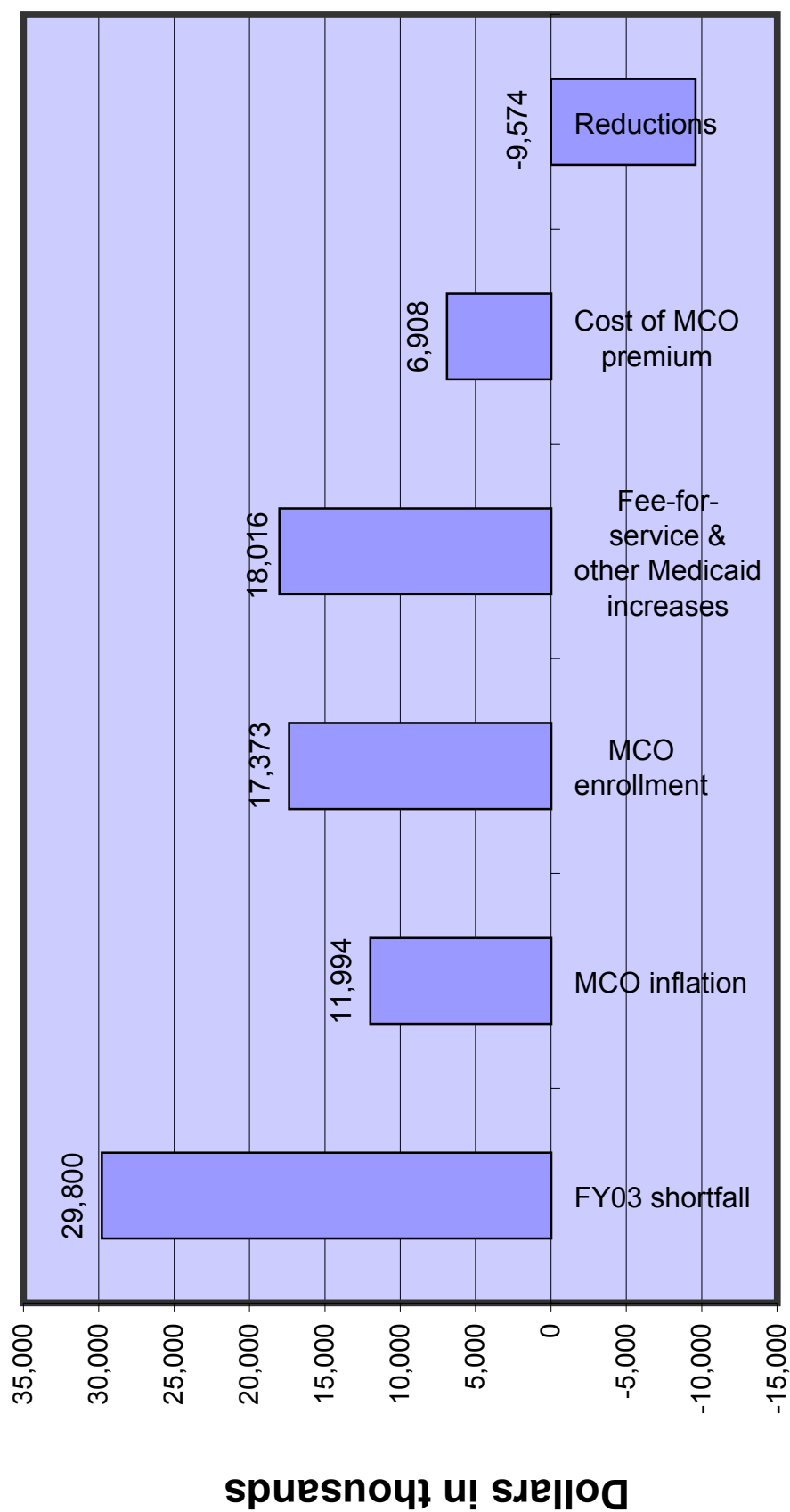


TABLE 6**TEMPORARY ASSISTANCE FOR NEEDY FAMILIES FUNDING SUMMARY**

(dollars in thousands)

	Gen Fund	Fed Funds	Total
REVENUE			
General Fund	31,848.3	0.0	31,848.3
Restitutions	900.0	0.0	900.0
TANF Block Grant	0.0	110,578.1	110,578.1
TANF Supplemental Grant	0.0	6,531.0	6,531.0
TANF Carryover	0.0	26,944.0	26,944.0
Total Available Revenue	32,748.3	144,053.1	176,801.4
EXPENDITURES			
ASD Admin	0.0	2,806.1	2,806.1
ISD Admin	1,504.5	10,826.3	12,330.8
Total Administration	1,504.5	13,632.4	15,136.9
Cash Payments			
Cash Assistance	8,277.5	56,000.0	64,277.5
Navajo TANF Cash Assistance	0.0	1,300.0	1,300.0
Zuni TANF Cash Assistance	0.0	186.9	186.9
Education Works	2,000.0	0.0	2,000.0
Clothing Allowance	0.0	800.0	800.0
Education, Trans, Employee exp	0.0	0.0	0.0
Wage Subsidy to CSED	0.0	500.0	500.0
Wage Subsidy Other	0.0	0.0	0.0
Disregard Pass Through	1,400.0	0.0	1,400.0
One-Time Expenses (Diversions)	0.0	700.0	700.0
TANF State-funded Aliens	175.0	0.0	175.0
Total Cash Assistance	11,852.5	59,486.9	71,339.4
Support Services-HSD			
Regional TANF Contracts	0.0	10,000.0	10,000.0
Intensive Assessment and Case Mgt.	0.0	3,000.0	3,000.0
Domestic Violence	0.0	2,000.0	2,000.0
Teen Pregnancy	0.0	300.0	300.0
Micro Enterprise	0.0	100.0	100.0
Employment Related Costs	0.0	400.0	400.0
Fatherhood	0.0	1,000.0	1,000.0
TANF Transportation	0.0	1,500.0	1,500.0
Total Support-HSD	0.0	18,300.0	18,300.0
Support Services-Other Agencies			
Early Childhood Development (SDE)	0.0	2,982.5	2,982.5
GRADS (SDE)	0.0	1,300.0	1,300.0
Full Day Kindergarten (SDE)	0.0	4,000.0	4,000.0
In-plant Training (Economic Development)	0.0	2,000.0	2,000.0
Post-secondary Education Training (CHE)	0.0	1,000.0	1,000.0
Adult Basic Education (SDE)	0.0	1,000.0	1,000.0
CYFD Child Care Training	0.0	1,000.0	1,000.0
CYFD SSBG (Adult Protective Services)	0.0	2,000.0	2,000.0
CYFD Child Care	0.0	32,751.3	32,751.3
CYFD Domestic Violence	0.0	600.0	600.0
DOH Substance Abuse	0.0	1,000.0	1,000.0
SHTD Transportation Services	0.0	800.0	800.0
CSW	0.0	1,200.0	1,200.0
Maximus	0.0	0.0	0.0
Gold Mentor (AoA)	0.0	1,000.0	1,000.0
TOTAL-Support Other Agencies	0.0	52,633.8	52,633.8
			0.0
TOTAL TANF BUDGET	13,357.0	144,053.1	157,410.1
MOE-Other Agency Budgets			
CYFD-Title IV-A	14,591.3	0.0	14,591.3
CCDF	2,800.0	0.0	2,800.0
Head Start	2,000.0	0.0	2,000.0
Total MOE to Other Agencies	19,391.3	0.0	19,391.3
TOTAL WELFARE BUDGET	32,748.3	144,053.1	176,801.4

**FY04 General Fund Used for Previous Tobacco
Settlement Programs
Projects**

(dollars in thousands)

TABLE 7

Agency	Program	FY02 Operating Tobacco Program Fund	FY03 Operating Tobacco Program Fund	FY04 Chapter 76 General Fund	Total After Vetoes General Fund
RECURRING					
DOH	Tobacco cessation and prevention	5,000.0	5,000.0	6,000.0	6,000.0
DOH	Diabetes prevention and control	1,000.0	1,000.0	1,000.0	1,000.0
DOH	HIV/AIDS services	470.0	470.0	470.0	470.0
DOH	Memorial Medical Center mobile medical unit	350.0	0.0	0.0	0.0
UNM	Health Sciences Center (1)	4,400.0	4,400.0	4,400.0	4,400.0
HSD	Various medicaid programs	0.0	8,927.5	30,423.1	30,423.1
VSC	Assisted living program for veterans with lung disease	0.0	600.0	600.0	veto
	Total recurring expenditures	11,220.0	20,397.5	42,893.1	42,293.1
NONRECURRING					
	Automatic external defibrillators in state and local government				
DOH	buildings and vehicles	0.0	100.0	0.0	0.0
DOH	Link information across community access programs	0.0	250.0	0.0	0.0
UNM	Genomics	0.0	2,000.0	0.0	0.0
DOH	Smart moves cessation/prevention	0.0	900.0	0.0	0.0
DOH	Primary care infrastructure	0.0	1,000.0	0.0	0.0
UNM	Lovelace	0.0	750.0	0.0	0.0
HSD	Medicaid supplemental for FY03	0.0	6,500.0	0.0	0.0
	Total Nonrecurring	0.0	11,500.0	0.0	0.0
(1)	Breakdown of \$4400.0 LFC appropriation to UNM Health Science Center				
	Research and clinical care programs in lung and tobacco related illness	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
	Tobacco related research	0.0	0.0	0.0	0.0
	Poison control center	450.0	450.0	450.0	450.0
	Pediatric oncology program	400.0	400.0	400.0	400.0
	Telemedicine project	150.0	150.0	150.0	150.0
	Los pasos program	50.0	50.0	50.0	50.0
	Area health education centers	50.0	50.0	50.0	50.0
	Speciality education in trauma	400.0	400.0	400.0	400.0
	Speciality education in pediatrics	400.0	400.0	400.0	400.0
	Total	4,400.0	4,400.0	4,400.0	4,400.0

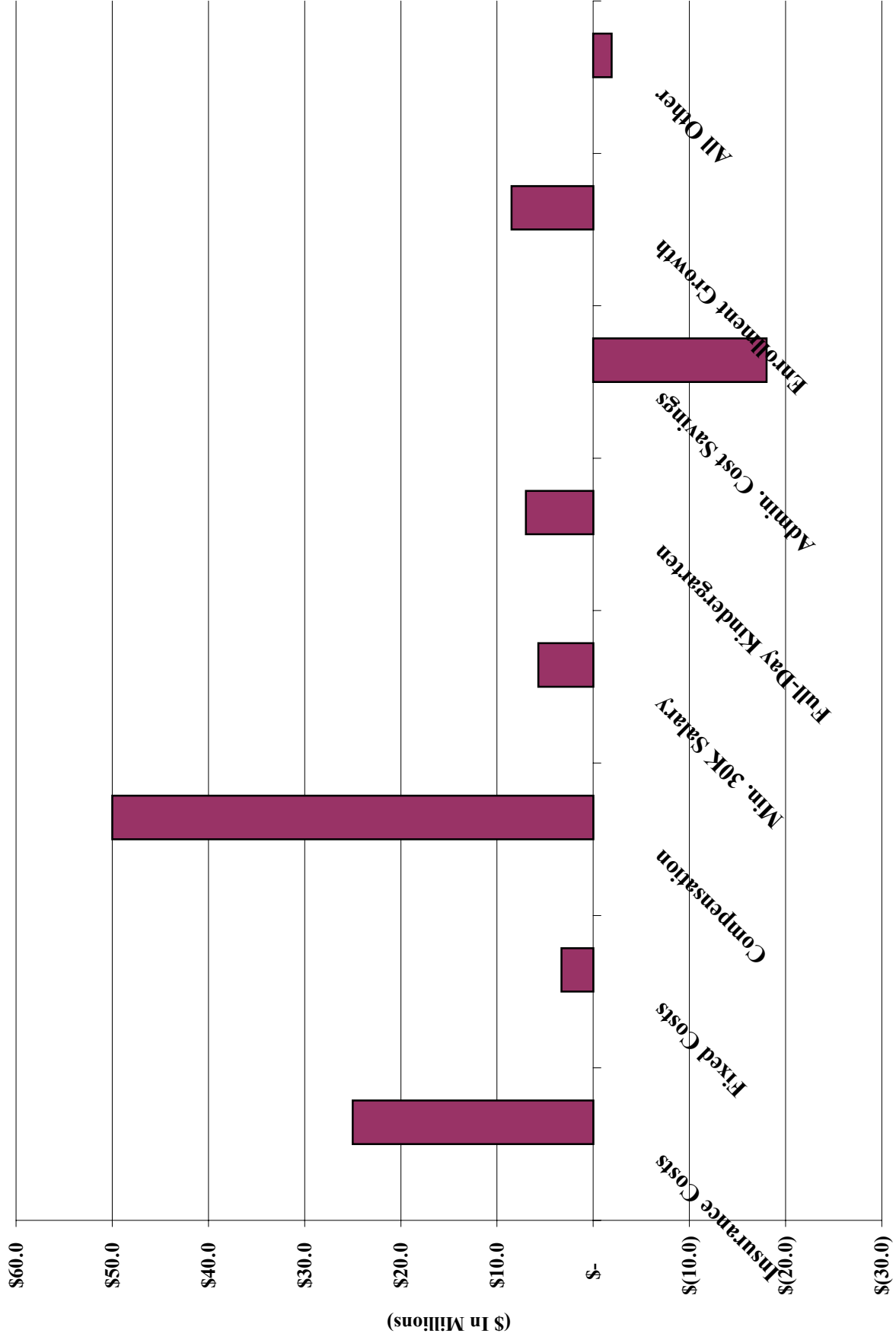
TABLE 8

PUBLIC SCHOOL SUPPORT FUNDING SUMMARY FY04
(dollars in thousands)

	FY03 Ch. 4, 1st Extra. Session Laws of 2002	FY04 Appropriations Laws of 2003
PROGRAM COST	\$1,696,566.5	\$1,714,906.2
Resource Reallocation of 1% of FY03 program cost		(\$18,000.0)
ENROLLMENT GROWTH	\$3,992.0	\$4,473.1
FIXED COSTS	(\$3,992.0)	\$3,325.5
INSURANCE COSTS	\$17,222.7	\$25,000.0
COMPENSATION		
Public School Teachers		\$32,098.3
Other Certified and Non-Certified		\$11,554.5
Instructional Staff		\$5,879.0
Full-day Kindergarten	\$998.0	\$7,000.0
Student Assessment		\$2,000.0
Implementation of Tiered Licensure Structure(1st yr.)		\$5,700.0
National Board Certification -Formula Change		\$470.0
Full Day Kindergarten replace TANF		
Enrollment Growth Legislation-Formula Change		\$4,500.0
Elementary Fine Arts		\$4,000.0
TOTAL PROGRAM COST	\$1,714,787.2	\$1,802,906.6
Sanding Adjustment	\$119.0	
LESS PROJECTED CREDITS (Cash Balances)		(\$16,400.0)
LESS PROJECTED CREDITS	(\$57,483.5)	(\$58,600.0)
LESS OTHER STATE FUNDS	(\$2,000.0)	(\$3,000.0)
STATE EQUALIZATION GUARANTEE	\$1,655,422.7	\$1,724,906.6
Dollar Increase Over FY 03 Appropriation		\$69,483.9
Percentage Increase		4.20%
CATEGORICAL PUBLIC SCHOOL SUPPORT		
TRANSPORTATION	\$92,181.9	\$94,500.0
Compensation		\$1,222.2
SUPPLEMENTAL DISTRIBUTIONS		
Out-of-State Tuition	\$991.0	\$495.0
Emergency Supplemental	\$2,894.2	\$2,600.0
Supplemental Growth		
Emergency Capital Outlay	\$249.5	
INSTRUCTIONAL MATERIAL FUND	\$29,940.0	\$32,700.0
EDUCATIONAL TECHNOLOGY FUND	\$4,990.0	\$5,000.0
INCENTIVES FOR SCHOOL IMPROVEMENT	\$1,896.2	\$1,600.0
READING PROFICIENCY FUND		
School Reform Initiatives/Teacher Quality		NCLB
Three-tiered Licensure System Implementation		\$250.0
TOTAL CATEGORICAL	\$133,142.8	\$138,367.2
TOTAL PUBLIC SCHOOL SUPPORT	\$1,788,565.5	\$1,863,273.8
Dollar Increase Over FY 03 Appropriation		\$74,708.3
Percentage Increase		4.18%
RELATED APPROPRIATIONS		
State Department of Education	\$8,803.2	\$9,352.6
Adult Basic Education	\$4,790.4	\$5,000.0
Advanced Placement Framework		\$381.6
Apprenticeship Assistance	\$648.7	\$650.0
Beginning Teacher Induction/Mentorship	\$998.0	\$900.0
Charter Schools Stimulus Fund	\$499.0	\$200.0
Computerized System /Aligning Curriculum		
Enrollment Growth Legislation		
Even Start Family Literacy		
Family and Youth Services		
World Class teachers (NBPTS)		**
Indian Education Act		\$2,000.0
National Board Certification -Change to Formula		
Office of Education Accountability		\$300.0
Performance-based Budgeting - support for school district	\$598.8	\$1,000.0
Professional Development(CHE)		
Public Education Campaign		
Re:Learning	\$499.0	\$900.0
Regional Education Technology Assistance (RETA)		\$500.0
Service Learning		\$100.0
Strengthening Quality in Schools (SQS)		\$500.0
Teacher Advancement Pilot		
NRT Testing Requirements (district costs)		
Three-Tiered Licensure System Infrastructure		
TOTAL RELATED APPROPRIATIONS	\$16,837.1	\$21,784.2
GRAND TOTAL	\$1,805,402.6	\$1,885,058.0
Dollar Increase Over FY 03 Appropriation		\$79,655.4
Percentage Increase		4.41%

K - 12 Public Schools

TABLE 9



HIGHER EDUCATION FY04 FUNDING SUMMARY
(dollars in thousands)

TABLE 10

	FY04 LFC REC		Final	
Workload		12,835.3		12,806.1
four-year net workload	6,804.7		6,804.7	
two-year net workload	5,943.5		5,943.5	
Taos Branch phase-in	236.8		236.8	
tuition waiver changes	0.0		0.0	
restore 0.2% sanding reduction	0.0		0.0	
reduce non-formula adjustments	0.0		0.0	
NNMCC - non-formula adj.	0.0		0.0	
NMHU - non-formula adj.	0.0		0.0	
extended services	0.0		0.0	
HSC base adj.	(149.7)		(178.9)	
athletic scholarships	0.0		0.0	
Tuition Credit	@ 3.0%	(4,185.3)	@ 4%	(5,580.4)
Formula Changes				
L&P Fund Excess - NMIMT & UNM		0.0		0.0
Group Insurance Inflation	@5.0%	1,354.7	@0%	0.0
Risk Insurance Inflation	@13.0%	825.8	@0%	0.0
Utilities Inflation	@2.0%	634.7	@2.0%	634.7
Library Inflation	@3.0%	299.2	@1.5%	149.6
BR&R Enhancement	@40%	786.4	@40%	786.4
Tuition credit for non-residents @ 2 yr inst.		(485.4)		(485.4)
NMMI		0.0		0.0
NMSVH		0.0		0.0
Compensation				
faculty	@2.0%	5,176.2	@3.0%	7,764.3
non-faculty	@2.0%	7,159.0	@2.5%	8,948.8
compensation total		12,335.2		16,713.0
Program Development/Enhanc Fund		1,500.0		0.0
Performance Funding		0.0		0.0
HE Incentive Matching Fund		0.0		0.0
Special Projects Expansion		(590.4)		7,154.9
NMSU-WRRI	0.0		100.0	
NMSU - Waste Mgmt Ed & Res Consortium	0.0		50.0	
NMSU-CES Compliance w/federal mandates	0.0		0.0	
NMSU-CES rodeo education program	0.0		125.0	
NMSU-CES chile			0.0	
NMSU-CES viticulturist			0.0	
NMSU-NMDA NM's Own			(149.7)	
UNM - Office of the Medical Investigator	0.0		200.0	
UNM- OITEC	0.0		0.0	
UNM - SW Research Center (Don Diego)	0.0		0.0	
UNM - Health Resources Registry	0.0		0.0	
UNM - Nursing enrollment	(75.0)		(75.0)	
UNM Wildlife Law			25.0	
ENMU - Airframe Mechanics	0.0		0.0	
ENMU - Promote airframe mechanics	0.0		0.0	
ENMU - Job trng for phy & ment challenged	0.0		0.0	
ENMU - Center for Teaching Excellence			20.0	
ENMU-Women's athletics			200.0	
NMIMT - Homeland Security	0.0		0.0	
NMIMT - Inst for Complex Add Sys Analysis	200.0		200.0	
NMIMT-Geophysical Research Cntr			50.0	
NMIMT-Science & Engineering Fair			10.0	
NMHU -CESDP, ENLACE			10.0	
WNMU-Instructional TV			20.0	
SFCC - Working to Learn	(49.7)		(49.7)	
NMJC-Liab			50.0	
Nursing	0.0		0.0	
Reduce non-stat Special Projects 5%	(665.7)		(665.7)	
Switch Tobacco Funding			4,400.0	
SB 655-Non-comp Higher Ed Recurring			2,635.0	
Financial aid increase		0.0		0.0
Student Incentive Grant		1,000.0		1,000.0
CHE operating		6.5		153.2
Train Dentists to work in NM		0.0		0.0
NM Mesa		(39.6)		(39.6)
<i>Technical adjustment</i>		(1.0)		0.0
<i>Change from FY03</i>		\$26,276.1		\$33,292.5
Grand Total Higher Education		\$631,169.1		\$638,185.5

TABLE 11

Incremental Additional Funding for Higher Education, FY04 Recurring

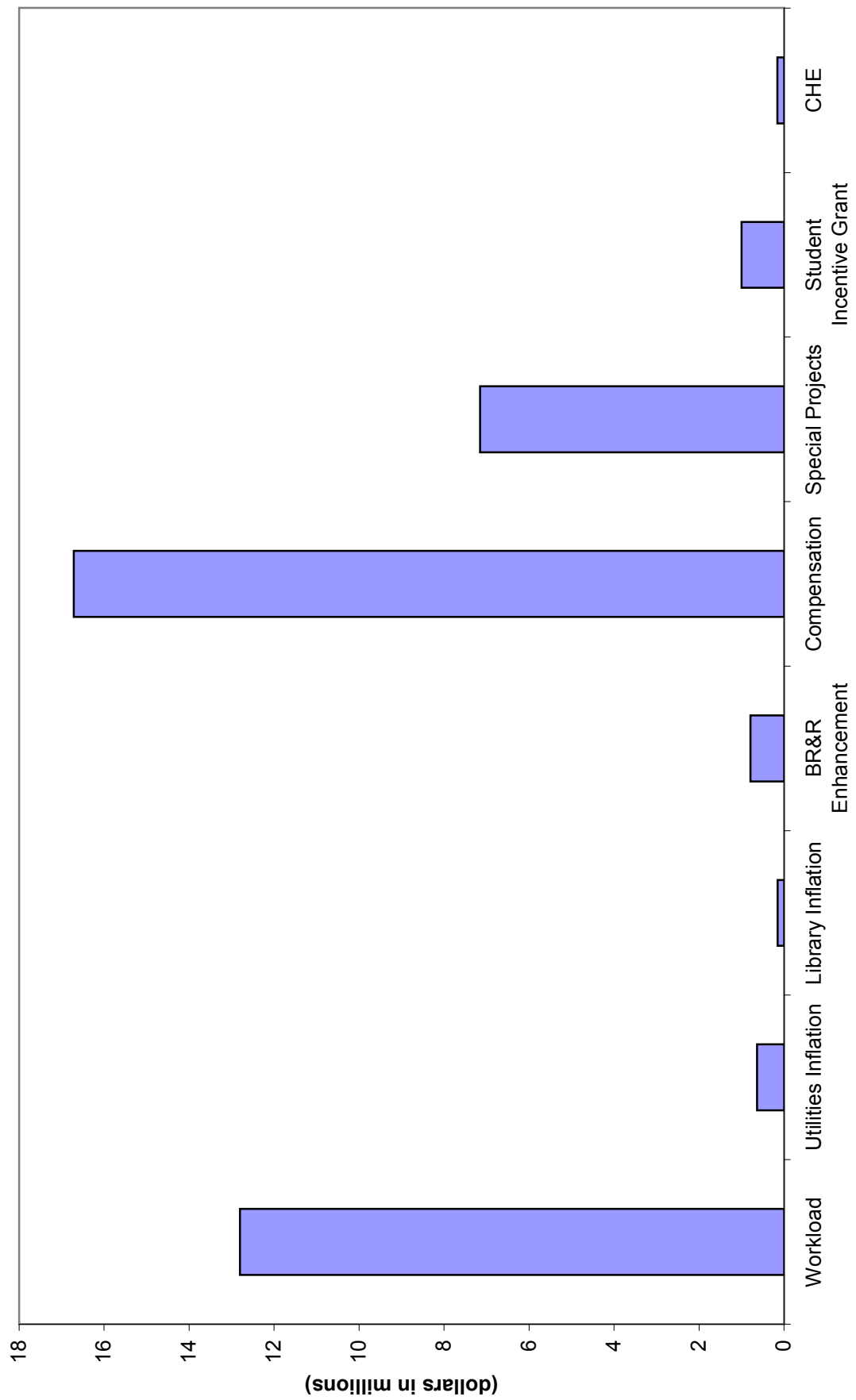


TABLE 12

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

	FY02 (2001-2002)	FY03 (2002-2003)	FY04 (2003-2004)			
	ACTUAL	BUDGET	LFC REC	HB 2	Dollar Change	Percent Change
UNM						
I&G	139,781.8	142,477.7	147,042.6	146,058.0	3,580.3	2.5%
Athletics	2,743.1	2,637.8	2,637.8	2,637.8	0.0	0.0%
Educational Television	1,246.1	1,243.6	1,243.6	1,243.6	0.0	0.0%
Extended Services Inst.	1,854.1	1,587.7	0.0	0.0	(1,587.7)	-100.0%
Gallup	8,280.3	7,509.8	7,368.2	7,325.3	(184.5)	-2.5%
Gallup Extended Services	20.3	2.3	0.0	0.0	(2.3)	-100.0%
Nursing Expansion	0.0	34.9	34.9	34.9	(0.0)	-0.1%
Los Alamos	2,027.4	1,882.6	2,043.5	2,032.6	150.0	8.0%
Los Alamos Extended Services	43.1	93.0	0.0	0.0	(93.0)	-100.0%
Valencia	4,137.7	4,024.8	4,007.3	3,981.2	(43.6)	-1.1%
Valencia Extended Services	27.3	27.2	0.0	0.0	(27.2)	-100.0%
Taos	1,357.2	1,174.8	1,340.7	1,329.0	154.2	13.1%
Judicial Selection	72.7	72.6	72.6	72.6	0.0	0.1%
Judicial Education Center	284.2	283.6	283.6	283.6	(0.0)	0.0%
Spanish Resource Center	110.1	109.9	109.9	109.9	0.0	0.0%
Southwest Research Center	1,469.4	1,197.9	1,138.0	1,138.0	(59.9)	-5.0%
Substance Abuse Program	193.9	164.5	156.3	156.3	(8.2)	-5.0%
Native American Intervention	243.8	206.8	196.5	196.5	(10.4)	-5.0%
Resource Geographic Info Sys	163.2	138.4	131.5	131.5	(7.0)	-5.0%
Natural Heritage Program	100.3	85.1	80.8	80.8	(4.2)	-5.0%
Southwest Indian Law Clinic	152.5	129.4	122.9	122.9	(6.4)	-5.0%
BBER-Census & Pop. Analysis	65.0	55.1	52.3	52.3	(2.8)	-5.1%
New Mexico Historical Review	104.3	88.5	84.1	84.1	(4.4)	-5.0%
Ibero-American Ed. Consortium	209.6	177.8	168.9	168.9	(8.9)	-5.0%
Youth Educ. Recreation Prog.	178.9	151.8	144.2	144.2	(7.6)	-5.0%
Advanced Materials Research	85.9	72.9	69.3	69.3	(3.6)	-5.0%
Mfg. Engineering Prog.	501.9	425.8	404.5	404.5	(21.3)	-5.0%
Office of Intl. Tech. Coop.	83.3	0.0	0.0	0.0	0.0	
Hispanic Student Center	151.8	128.8	128.8	128.8	0.0	0.0%
Wildlife Law Education	63.0	53.4	50.7	75.7	22.3	41.7%
Women's Career Development	27.5	23.3	22.1	22.1	(1.2)	-5.1%
Youth Leadership Development	97.0	82.3	78.2	78.2	(4.1)	-5.0%
Morrissey Hall Research	57.0	48.4	46.0	46.0	(2.4)	-4.9%
Disabled Student Services	277.8	235.7	235.7	235.7	0.0	0.0%
Minority Engr. Math & Science	217.4	184.4	184.4	0.0	(184.4)	-100.0%
Min. Grad Recruit & Retention	203.8	172.9	172.9	172.9	0.0	0.0%
Graduate Research Dev. Fund	100.0	99.8	94.8	94.8	(5.0)	-5.0%
Community Based Education	531.1	450.5	428.0	428.0	(22.6)	-5.0%
UNM Total	167,263.8	167,535.8	170,375.6	169,140.1	1,604.3	1.0%
Health Sciences Center						
Medical School I & G	43,206.3	42,983.2	42,975.3	42,874.5	(108.6)	-0.3%
Cancer Center	2,649.5	2,644.2	2,644.2	2,644.2	(0.0)	0.0%
Office of Medical Investigator	2,998.9	2,992.9	2,992.9	3,192.9	200.0	6.7%
EMS Academy	752.5	751.0	751.0	751.0	0.0	0.0%
Children's Psychiatric Hospital	4,888.1	4,878.3	4,878.3	4,878.3	(0.0)	0.0%
Hemophilia Program	520.7	519.7	519.7	519.7	0.0	0.0%
Carrie Tingley Hospital	3,702.8	3,695.4	3,695.4	3,695.4	0.0	0.0%
Out-of-County Indigent	1,541.5	1,307.7	1,242.3	1,242.3	(65.3)	-5.0%

TABLE 12

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

	FY02 (2001-2002)	FY03 (2002-2003)	FY04 (2003-2004)			
	ACTUAL	BUDGET	LFC REC	HB 2	Dollar Change	Percent Change
Specialized Perinatal Care	525.3	445.6	423.3	423.3	(22.3)	-5.0%
Newborn Intensive Care	2,939.6	2,933.7	2,933.7	2,933.7	0.0	0.0%
Pediatric Oncology	227.4	192.9	183.3	583.3	390.4	202.4%
Young Children's Health Center	269.6	228.7	217.3	217.3	(11.4)	-5.0%
Pediatric Pulmonary Program	214.0	181.5	172.4	172.4	(9.1)	-5.0%
Health Resources Registry	25.5	0.0	0.0	0.0	0.0	
Area Health Education Centers	218.0	184.9	175.7	225.7	40.7	22.0%
Grief Intervention Program	189.0	160.3	152.3	152.3	(8.0)	-5.0%
Pediatric Dysmorphology	167.0	141.7	134.6	134.6	(7.1)	-5.0%
Locum Tenens	481.8	408.7	388.3	388.3	(20.4)	-5.0%
Center for Disaster Medicine	118.8	100.8	95.8	95.8	(5.0)	-5.0%
Poison Control Center	943.9	942.0	942.0	1,392.0	450.0	47.8%
Fetal Alcohol Study	199.0	168.8	160.4	160.4	(8.5)	-5.0%
Telemedicine	331.6	281.3	267.2	417.2	135.9	48.3%
Nurse Mid-wifery	384.5	326.2	309.9	309.9	(16.3)	-5.0%
Nursing Expansion	950.0	1,422.2	1,347.2	1,347.2	(75.0)	-5.3%
Lung/Tobacco-rel. Res. & Clinical				1,000.0		
Genomics, Biocomp, & Env. Health				1,500.0		
Los Pasos Program				50.0		
Trauma Specialty Education				400.0		
Pediatrics Specialty Education				400.0		
Health Sciences Total	68,445.3	67,891.6	67,602.3	72,101.6	4,210.0	6.2%
NMSU						
I&G	90,148.1	90,543.4	91,090.9	90,210.5	(332.9)	-0.4%
Athletics	2,872.4	2,766.9	2,766.9	2,766.9	0.0	0.0%
Educational Television	1,102.4	1,100.2	1,100.2	1,100.2	0.0	0.0%
Extended Services Inst.	441.5	423.9	0.0	0.0	(423.9)	-100.0%
Alamogordo	5,488.7	5,274.4	5,254.8	5,218.5	(55.9)	-1.1%
Nursing Expansion	0.0	27.9	27.9	27.9	(0.0)	-0.2%
Carlsbad	3,465.6	3,019.4	2,948.6	2,926.9	(92.5)	-3.1%
Nursing Expansion	0.0	34.9	34.9	34.9	(0.0)	-0.1%
Dona Ana	10,589.3	11,354.1	11,900.3	11,823.7	469.6	4.1%
Nursing Expansion	0.0	104.8	104.8	104.8	0.0	0.0%
Grants	2,359.2	2,317.1	2,520.4	2,507.0	189.9	8.2%
Department of Agriculture	8,496.7	8,479.7	8,479.7	8,330.0	(149.7)	-1.8%
Agricultural Experiment Station	11,436.8	11,413.9	11,413.9	11,413.9	(0.0)	0.0%
Cooperative Extension Service	9,038.3	9,135.0	9,135.0	9,260.0	125.0	1.4%
Water Resources Research	398.2	367.6	349.2	449.2	81.6	22.2%
Coordination of Mexico Prog.	114.1	96.8	96.8	96.8	0.0	0.0%
Indian Resources Development	375.9	375.1	375.1	375.1	(0.0)	0.0%
Mfg. Sector Development Program	491.7	417.1	396.2	396.2	(20.9)	-5.0%
Waste Mgmt. Ed./Res. Cons.	558.2	473.5	449.8	499.8	26.3	5.6%
Alliance for Underrep. Students	457.2	387.8	368.4	368.4	(19.4)	-5.0%
Campus Security	107.8	91.4	91.4	91.4	(0.0)	-0.1%
Carlsbad Mfg. Sector Development	462.9	392.7	373.1	373.1	(19.6)	-5.0%
Nursing Expansion	0.0	419.2	419.2	419.2	0.0	0.0%
NMSU Total	148,405.0	149,016.8	149,697.5	148,794.3	(222.4)	-0.1%

TABLE 12

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

	FY02 (2001-2002)	FY03 (2002-2003)	FY04 (2003-2004)			
	ACTUAL	BUDGET	LFC REC	HB 2	Dollar Change	Percent Change
NMHU						
I&G	18,023.3	17,533.5	21,383.3	21,223.3	3,689.8	21.0%
Athletics	1,373.6	1,340.9	1,340.9	1,340.9	0.0	0.0%
Extended Services Inst.	1,398.2	1,973.3	0.0	0.0	(1,973.3)	-100.0%
Visiting Scientist	22.8	19.3	18.3	18.3	(1.0)	-5.2%
Upward Bound	131.7	111.7	106.1	106.1	(5.6)	-5.0%
Advanced Placement	369.6	313.5	297.8	297.8	(15.7)	-5.0%
Native American Rec. & Ret.	53.7	45.6	45.6	45.6	0.0	0.1%
Diverse Populations Study	240.1	221.6	210.5	220.5	(1.1)	-0.5%
NMHU Total	21,613.0	21,559.6	23,402.6	23,252.7	1,693.1	7.9%
WNMU						
I&G	11,897.9	12,120.4	13,056.7	12,957.7	837.3	6.9%
Athletics	1,290.6	1,258.1	1,258.1	1,258.1	0.0	0.0%
Extended Services Inst.	674.8	750.1	0.0	0.0	(750.1)	-100.0%
Child Development Center	348.7	348.7	348.7	348.7	0.0	0.0%
NAFTA	20.0	17.0	16.2	16.2	(0.8)	-4.8%
Instructional Television	101.6	101.4	101.4	121.4	20.0	19.7%
Nursing Expansion	0.0	41.9	41.9	41.9	(0.0)	0.0%
WNMU Total	14,333.6	14,637.6	14,822.9	14,744.0	106.4	0.7%
ENMU						
I&G	19,855.9	19,760.0	20,556.8	20,417.7	657.7	3.3%
Athletics	1,464.9	1,412.1	1,412.1	1,612.1	200.0	14.2%
Educational Television	998.0	996.0	996.0	996.0	0.0	0.0%
Extended Services Inst.	711.8	682.6	0.0	0.0	(682.6)	-100.0%
Roswell	9,973.8	9,587.3	10,299.0	10,241.0	653.7	6.8%
Nursing Expansion	0.0	69.9	69.9	69.9	0.0	0.1%
Extended Serv. Instr.-Roswell	369.7	538.1	0.0	0.0	(538.1)	-100.0%
Ruidoso Off-Campus Center	555.1	531.9	760.2	754.0	222.1	41.8%
Center for Teaching Excellence	261.7	261.2	248.1	268.1	6.9	2.6%
Blackwater Draw Site & Mus.	112.7	95.6	90.8	90.8	(4.8)	-5.0%
Airframe Mechanics	5.9	74.9	74.9	74.9	0.1	0.1%
Job Trng for Physically & Ment.	0.0	25.0	25.0	25.0	0.1	0.2%
Assessment Project	167.2	141.8	134.7	134.7	(7.1)	-5.0%
Nursing Expansion	0.0	41.9	41.9	41.9	(0.0)	0.0%
ENMU Total	34,476.7	34,218.3	34,709.4	34,726.2	507.8	1.5%
NMIMT						
I&G	20,007.6	20,733.5	21,712.0	21,531.7	798.2	3.8%
Athletics	154.2	153.9	153.9	153.9	0.0	0.0%
Extended Services Inst.	39.4	81.3	0.0	0.0	(81.3)	-100.0%
Geophysical Research Center	846.0	844.3	802.1	852.1	7.8	0.9%
Bureau of Mines	3,760.2	3,752.7	3,752.7	3,752.7	0.0	0.0%
Petroleum Recovery Research	1,712.5	1,709.1	1,709.1	1,709.1	0.0	0.0%
Bureau of Mine Inspection	285.0	284.4	284.4	284.4	(0.0)	0.0%
Energetic Materials Center	827.7	702.1	667.0	667.0	(35.1)	-5.0%
Science Fair/Science Olympiad	127.7	108.3	102.9	112.9	4.6	4.2%
Homeland Security	0.0	249.5	237.0	237.0	(12.5)	-5.0%
Cave & Karst Research	350.0	349.3	331.8	331.8	(17.5)	-5.0%
Institute for Complex Additive Sys Ana	350.0	323.2	523.2	523.2	200.0	61.9%
NMIMT Total	28,460.3	29,291.6	30,276.1	30,155.8	864.2	3.0%

TABLE 12

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

	FY02 (2001-2002)	FY03 (2002-2003)	FY04 (2003-2004)			
	ACTUAL	BUDGET	LFC REC	HB 2	Dollar Change	Percent Change
NNMCC						
I&G	7,752.6	7,402.4	7,775.3	7,748.2	345.9	4.7%
Extended Services Instruction	170.8	206.6	0.0	0.0	(206.6)	-100.0%
Northern Pueblo's Institute	60.0	59.9	56.9	56.9	(3.0)	-5.0%
Nursing Expansion	0.0	27.9	27.9	27.9	(0.0)	-0.2%
NNMCC Total	7,983.4	7,696.8	7,860.1	7,833.0	136.3	1.8%
SFCC						
I&G	8,575.6	7,399.4	7,659.0	7,596.4	197.0	2.7%
Small Business Devlpt. Centers	2,950.4	2,944.2	2,944.2	2,944.2	(0.0)	0.0%
Working To Learn	58.6	49.7	0.0	0.0	(49.7)	-100.0%
Sign Language Services	25.0	21.2	21.2	21.2	(0.0)	0.0%
Nursing Expansion	0.0	34.9	34.9	34.9	(0.0)	-0.1%
SFCC Total	11,609.6	10,449.5	10,659.3	10,596.7	147.2	1.4%
ATVI						
I&G	35,410.4	36,151.0	39,787.0	39,439.9	3,288.9	9.1%
ATVI Total	35,410.4	36,151.0	39,787.0	39,439.9	3,288.9	9.1%
LVT						
I&G	6,289.7	6,174.2	6,080.1	6,038.1	(136.1)	-2.2%
Nursing Expansion	0.0	34.9	34.9	34.9	(0.0)	-0.1%
LVT Total	6,289.7	6,209.1	6,115.0	6,073.0	(136.2)	-2.2%
MTC						
I&G	2,143.2	2,164.2	2,201.7	2,186.5	22.3	1.0%
Extended Services Instruction	36.4	26.0	0.0	0.0	(26.0)	-100.0%
MTC Total	2,179.6	2,190.3	2,201.7	2,186.5	(3.8)	-0.2%
NMJC						
I&G	7,407.9	7,167.2	7,390.8	7,362.4	195.2	2.7%
Extended Services Instruction	86.2	139.1	0.0	0.0	(139.1)	-100.0%
Athletics	34.6	34.5	34.5	34.5	0.0	0.0%
Nursing Expansion	0.0	69.9	69.9	69.9	0.0	0.1%
NMJC Total	7,528.7	7,410.7	7,495.2	7,466.8	56.1	0.8%
SJC						
I&G	13,592.9	14,494.1	15,200.8	15,105.9	611.8	4.2%
Extended Services Instruction	0.0	(16.1)	0.0	0.0	16.1	-100.0%
Dental Hygiene	200.5	200.1	200.1	200.1	(0.0)	0.0%
Nursing Expansion	0.0	134.7	134.7	134.7	(0.0)	0.0%
SJC Total	13,793.4	14,812.9	15,535.6	15,440.7	627.8	4.2%
CCC						
I&G	9,317.2	8,954.1	9,006.5	8,952.8	(1.3)	0.0%
Extended Services Instruction	92.2	71.9	0.0	0.0	(71.9)	-100.0%
Nursing Expansion	0.0	69.9	69.9	69.9	0.0	0.1%
CCC Total	9,409.4	9,095.8	9,076.4	9,022.7	(73.1)	-0.8%
Four-Year/Two-Year Total	577,201.9	578,167.2	589,616.6	590,973.8	12,806.5	2.2%
NMMI						
I&G	1,026.1	0.0	0.0	0.0	0.0	
NMMI Total	1,026.1	0.0	0.0	0.0	0.0	
NMSVH						
I&G	0.0	0.0	11.5	11.5	11.5	
NMSVH Total	0.0	0.0	11.5	11.5	11.5	
NM School For The Deaf						
I&G	3,181.3	3,174.9	3,188.1	3,188.1	13.2	0.4%
School for the Deaf Total	3,181.3	3,174.9	3,188.1	3,188.1	13.2	0.4%
Special School GF Total	4,207.4	3,174.9	3,199.6	3,199.6	24.7	0.8%

TABLE 12

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

	FY02 (2001-2002)	FY03 (2002-2003)	FY04 (2003-2004)			
	ACTUAL	BUDGET	LFC REC	HB 2	Dollar Change	Percent Change
Commission on Higher Education						
CHE Operating	1,605.9	1,506.1	1,512.5	1,659.2	153.1	10.2%
CHE Financial Aid	21,245.2	21,202.7	22,202.7	22,202.7	1,000.0	4.7%
NM MESA, Inc.	933.3	791.7	752.1	752.1	(39.6)	-5.0%
Contract to Train Dentists in NM		50.0	50.0	50.0	0.0	0.0%
Program Enhancement Fund	0.0	0.0	1,500.0	0.0	0.0	
Workforce Training Fund	0.0	0.0	0.0	0.0	0.0	
CHE Total	23,784.4	23,550.5	26,017.3	24,664.0	1,113.5	4.7%
COMPENSATION	0.0	0.0	12,335.2	15,419.1	15,419.1	
HIGHER EDUCATION TOTAL	\$605,193.7	\$604,892.7	\$631,168.8	\$634,256.5	29,363.8	4.9%

SPECIAL, SUPPLEMENTAL AND DEFICIENCY, AND DATA PROCESSING APPROPRIATION FUNDING SUMMARY

GOVERNOR'S ACTION									
No.	Code	Agency	FY	R/N	General Fund	Other State Funds	IS Funds/IA Transfers	Federal Funds	Total
SECTION 5 - SPECIAL APPROPRIATIONS:									
1	112	Legislative Finance Committee	2003	N	-	-	-	-	-
2	250	Second Judicial District Attorney	2003	N	73.0	-	-	-	73.0
3	250	Fourth Judicial District Attorney	2003	N	-	-	-	-	-
4	305	Attorney General	2003	N	-	-	-	-	-
5	305	Attorney General	2003	N	-	-	-	-	-
6	333	Taxation and Revenue Department	2003		5,000.0	-	-	-	5,000.0
7	341	Department of Finance & Administration	2003	R	-	-	-	-	-
8	341	Department of Finance & Administration	2003	R	100.0	-	-	-	100.0
9	355	Public Defender Department	2003	N	-	-	-	-	-
10	370	Secretary of State	2003	N	-	-	-	-	-
11	469	NM State Racing Commission	2003	N	-	-	-	-	-
12	505	Office of Cultural Affairs	2003	R	200.0	-	-	-	200.0
13	521	Game and Fish Department	2003	N	-	1,077.4	-	-	1,077.4
14	539	State Land Office	2003	N	-	-	-	-	-
15	539	State Land Office	2003	N	-	-	-	-	-
16	539	State Land Office	2003	R	-	1,000.0	-	-	1,000.0
17	539	State Land Office	2003	N	-	800.0	-	-	800.0
18	550	Office of the State Engineer	2003	N	-	-	-	-	-
19	550	Office of the State Engineer	2003	N	-	-	-	-	-
20	550	Office of the State Engineer	2003	N	-	-	-	-	-
21	550	Office of the State Engineer	2003	N	-	-	-	-	-
22	647	Disabilities Planning Council	2003	R	300.0	-	-	-	300.0
23	665	Department of Health	2003	N	250.0	-	-	-	250.0
24	667	Department of Environment	2003	N	-	1,000.0	-	-	1,000.0
25	805	State Highway and Transportation Dept	2003	N	-	200.0	-	-	200.0
26	805	State Highway and Transportation Dept	2003	N	-	1,649.0	-	-	1,649.0
27	924	State Department of Public Education	2004	R	250.0	-	-	-	250.0
28	924	State Department of Public Education	2003	R	300.0	-	-	-	300.0
29	652	University of New Mexico	2003	N	-	-	-	-	-
30		Computer System Enhancement Fund	2003	N	13,200.0	-	-	-	13,200.0
TOTAL SECTION 5					19,673.0	5,786.4	-	-	25,399.4
SECTION 6 - DEFICIENCY/SUPPLEMENTAL APPROPRIATIONS:									
1	218	Administrative Office of the Courts	2003	N	-	200.0	-	-	200.0
2	232	Second Judicial District Court	2003	R	120.0	-	-	-	120.0
3	261	Eleventh District Attorney	2003	N	20.0	-	-	-	20.0
4	333	Taxation and Revenue Department	2003	N	25.0	-	-	-	25.0
5	341	Department of Finance & Administration	2003	N	-	700.0	-	-	700.0
6	341	Department of Finance & Administration	2003	N	100.0	-	-	-	100.0
7	342	Public School Insurance Authority	2003	N	-	-	-	-	-
8	630	Human Services Department	2002	N	1,566.0	2,567.0	-	-	4,133.0
9	630	Human Services Department	2002	N	25,540.0	-	-	-	25,540.0
10	630	Human Services Department	2003	N	679.4	-	-	-	1,318.2
11	630	Human Services Department	2003	N	29,800.0	-	-	-	108,900.0
12	630	Human Services Department	2003	N	1,200.0	-	-	-	138,700.0
13	665	Department of Health	2003	N	700.0	-	-	-	2,800.0
					2,000.0	-	-	-	2,100.0
									2,000.0
From cash balances for payment jurors and court interpreters									
Personal services and employee benefits costs									
Expert Witness									
Continue prosecution of Fry Case									
License plates									
Cumbres and Toltec Scenic Railroad operations									
Language increasing BOR emergency authority to \$375.0									
Supplemental for risk program									
Deficiency for Medicaid									
CSED deficiency for ISD costs									
Medicaid supplemental									
MAD fiscal agent contract (Omnicare)									
MAD System Enhancement									
Payroll, drugs, supplies and utilities									

SPECIAL, SUPPLEMENTAL AND DEFICIENCY, AND DATA PROCESSING APPROPRIATION FUNDING SUMMARY

GOVERNOR'S ACTION									
No.	Code	Agency	FY	R/N	General Fund	Other State Funds	IS Funds/IA Transfers	Federal Funds	Total
14	690	Children, Youth & Families Department	2003	N	1,000.0	-	-	-	1,000.0
15	770	Corrections Department	2003	N	653.0	-	-	-	653.0
16	790	Department of Public Safety	2003	N	325.0	-	-	-	325.0
17	924	State Department of Public Education	2003	N	901.5	-	-	-	901.5
TOTAL SECTION 6					64,629.9	3,467.0	-	188,534.1	256,631.0
SECTION 7 - DATA PROCESSING APPROPRIATIONS:									
1	333	Taxation and Revenue Department	2003	N	-	-	-	-	-
2	341	Department of Finance & Administration	2003	N	-	1,200.0	-	-	1,200.0
3	341	Department of Finance & Administration	2003	N	-	100.0	-	-	100.0
4	341	Department of Finance & Administration	2003	N	-	7,800.0	-	4,500.0	12,300.0
5	341	Department of Finance & Administration	2003	N	-	-	-	-	-
6	341	Department of Finance & Administration	2003	N	-	100.0	-	-	100.0
7	352	Educational Retirement Board	2003	N	-	-	-	-	-
8	366	Public Employee Retirement Association	2003	N	-	6,700.0	-	-	6,700.0
9	370	Secretary of State	2003	N	-	400.0	-	-	400.0
10	430	Public Regulation Commission	2003	N	-	1,000.0	-	-	1,000.0
11	624	State Agency on Aging	2003	N	-	-	-	-	-
12	630	Human Services Department	2003	N	-	-	-	17,758.8	17,758.8
13	631	Labor Department	2003	N	-	-	-	12,500.0	12,500.0
14	631	Labor Department	2003	N	-	-	-	1,500.0	1,500.0
15	631	Labor Department	2003	N	-	-	-	600.0	600.0
16	665	Department of Health	2003	N	-	500.0	-	-	500.0
17	665	Department of Health	2003	N	-	1,500.0	-	-	1,500.0
18	667	Environment Department	2003	N	-	400.0	-	300.0	700.0
19	770	Corrections Department	2003	N	-	400.0	-	-	400.0
20	790	Department of Public Safety	2003	N	-	800.0	-	-	800.0
TOTAL SECTION 6					-	20,900.0	-	37,158.8	58,058.8
GRAND TOTAL					84,302.9	30,093.4	-	225,692.9	340,089.2
Reauthorizes 2002 appropriation for oil and natural gas administration revenue database through the end of FY04									
MagNet									
MagPortal									
Health insurance portability and accountability act									
Reauthorizes 2002 appropriation for state immunization information system through the end of FY04									
Enterprise information security architecture plan									
Reauthorizes 2001 appropriation for educational retirement membership system through the end of FY04									
Pension administration system									
Voter registration and election management system									
NM insurance registration and tracking									
Reauthorizes 2002 appropriation for service areas and senior citizen centers through the end of FY04									
Tribal child support enforcement system									
Unemployment insurance tax replacement									
Unemployment insurance claims enhancement									
Scanning information system									
Integrated client data system									
Facilities systems enhancement project									
Agency web service portal									
Corrections management system									
Network stabilization									

TABLE 14**2003 Major Capital Outlay Projects**

Chapter 429 (HTRCS/HB 200, as amended)	
Agency on Aging statewide projects (meals, vehicles, center renovations, etc.)	\$4,058,600
Native American statewide projects	\$5,523,700
Museum, monument and other cultural property renovations statewide	\$6,147,800
Weatherization services	\$600,000
Water & wastewater supply projects, dam repairs, acequia repairs, surveys, etc.	\$21,199,800
State match funds for the Wastewater Facility Construction Loan Act	\$3,000,000
Statewide microwave radio system	\$2,000,000
Statewide public building renovations, equipment, helicopter and other repairs	\$42,423,000
Public school capital projects	\$12,116,400
Higher education and special schools (renovations and equipment)	\$8,604,600
Road improvements statewide	\$16,370,300
Local projects statewide (parks, health facilities, emergency equipment, etc.	\$22,500,000
Chapter 385 (SFCS/SB 134, as amended)	
Water and wastewater infrastructure projects	\$1,023,000
Higher education and special school's infrastructure and renovations	\$470,000
Public school facilities	\$960,300
Road improvements statewide	\$975,500
State buildings, courts, health and cultural facilities	\$730,300
Local projects statewide	\$4,791,200
Chapter 372 (HAFCS/HB 594	
Repairs, renovations and exhibit development for state-owned museums	\$5,700,000
Chapter 341 (SFCS/SBs 804,336,717 and 835)	
University of New Mexico Health Sciences Center (design, construct & equip)	\$9,500,000
Department of Health (facility repairs and improvements)	\$4,000,000

**FINAL COMPENSATION - FY2004
& Comparisons With
HB 2 Sub & SB 655 Sub Sub/a /with Conference**

EMPLOYEE GROUP	HB 2 Sub				SB 655 Sub Sub/a/HAFc w/Conference				FINAL COMPENSATION			
	% Increase	Effective Date	GF Cost		% Increase	Effective Date	GF Cost		% Increase	Effective Date	GF Cost	
LEGISLATIVE*												
	2.0%	January 2004	83.7		1.0%	January 2004	41.8		3.0%	January 2004	125.5	
JUDICIAL												
Justices/Judges**												
Judicial Classified & Non-Classified Employees*	2.0%	January 2004	161.6		1.0%	January 2004	80.8		3.0%	January 2004	242.4	
Subtotal - Judicial	2.0%	January 2004	505.4		1.0%	January 2004	252.2		3.0%	January 2004	757.6	
			667.0				333.0				1,000.0	
DISTRICT ATTORNEYS												
Elected District Attorneys												
District Attorney Classified Employees*	2.0%	January 2004	14.8		1.0%	January 2004	7.4		3.0%	January 2004	22.2	
Subtotal - District Attorneys	2.0%	January 2004	376.7		1.0%	January 2004	188.2		3.0%	January 2004	564.9	
			391.5				195.6				587.1	
EXECUTIVE GENERAL GOVERNMENT												
Classified*												
Exempt - Governor's* (excluding exempt teachers)	2.0%	January 2004	3,873.2		1.0%	January 2004	1,936.8		vetoed	January 2004	5,810.0	
Executive Exempt Teachers (Corr, Health, CYFD, Blind)	2.0%	January 2004	385.5		1.0%	January 2004	231.0		3.0%	January 2004	616.5	
State Police	2.0%	January 2004	91.4		1.0%	January 2004	45.8		3.0%	January 2004	137.2	
Subtotal	2.0%	January 2004	330.7		1.0%	January 2004	165.6		3.0%	January 2004	496.3	
			4,680.8				2,379.2				7,060.0	
Subtotal - General Government			5,823.0				2,949.6				8,772.6	
PUBLIC SCHOOLS (statewide average)												
Teachers												
Other Certified & Non-Certified Personnel	6.0%	December 2003	35,244.2						6.0%	December 2003	35,244.2	
Instructional Staff	3.0%	July 2003	11,503.1						3.0%	July 2003	11,503.1	
Transportation Employees	6.0%	December 2003	6,455.2						6.0%	December 2003	6,455.2	
Subtotal - Public Schools	3.0%	July 2003	1,220.8						3.0%	July 2003	1,220.8	
			54,423.3								54,423.3	
HIGHER EDUCATION												
Faculty												
Staff Employees	2.5%	July 2003	6,470.3		0.5%	July 2003	1,294.0		3.0%	July 2003	7,764.3	
Subtotal - Higher Education	2.5%	July 2003	8,948.8						2.5%	July 2003	8,948.8	
			15,419.1				1,294.0				16,713.1	
GRAND TOTAL COMPENSATION			75,665.4				4,243.6				79,909.0	

*A 5% vacancy factor has been applied in the LFC & HAFc numbers.

** Authorizes 44% raise for judges but funds a 3% raise.

REFERENCED LEGISLATION

TABLE 16

Bill Number	Title	Sponsor	Chapter
HB 1	Feed Bill	Picraux	1
HB 2	General Appropriation Act of 2003	Coll	76
HB 12	Fine Arts Education Act	Coll	152
HB 28	Dynamic Forecasting Pilot Project	Heaton	73
HB 46	Interstate Compact for Juveniles	Park	48
HB 67	Amend Info Technology Management Act	Varela	49
HB 117	DWI Penalties for Certain Offenders	Swisstack	90
HB 145	Extend Life of Various Boards	Salazar	428
HB 167	Reduce Income Tax Rates	Lujan, B	2
HB 169	Enrollment Growth Program Units	Swisstack	156
HB 179	Amend Investment Credit Act	Lujan, B	402
HB 190	Amend Local DWI Grant Program Act	Miera	213
HB 195	Teacher Housing Revenue Bonds	Garcia, MH	158
HB 200	Capital Expenditures, STB	Sandoval	429
HB 212	Public School Reforms	Stewart	153
HB 217	Expand NMFA Definition of Qualified Entity	Tripp	25
HB 219	Financial Control and Oversight of Agencies	Varela	273
HB 220	Increase Per Diem and Mileage Rates	Varela	215
HB 231	Public Health Emergency Response Act	Heaton	218
HB 250	Commercial Driver's License Changes	Larranaga	51
HB 260	State Water Plan	Stewart	131
HB 261	Amend Unemployment Compensation Law	Stewart	47
HB 278	Exchange of Motor Vehicle Offense Information	Rodella	164
HB 302	Water Banking Authority for Acequias	Lujan, B	132
HB 303	Compliance with Acequia Requirements	Lujan, B	135
HB 321	Oil and Gas Reclamation Fund Distribution	Whitaker	433
HB 391	Create Technology Enhancement Fund	Salazar	367
HB 394	Work Force Skills Development Fund	Salazar	368
HB 402	Prescription Drugs Wavier Program for Seniors	Heaton	278
HB 414	Fee for Domestic Violence Offenders	Picraux	279
HB 416	Create Office of Guardianship	Taylor, JP	280
HB 496	Acquisition and Renovation of State Museums	Coll	371
HB 508	Public Employee Bargaining Act	Lujan, B	4
HB 528	Medication to Public School Students	Begaye	282
HB 585	Aging and Long-Term Care Department Act	Salazar	403
HB 594	State Museum Renovation Bonds	Coll	372
HB 644	Maintain Gasoline Tax Rate	Silva	289
HB 656	License Plates Featuring Wildlife Artwork	Stewart	178
HB 745	Limit School District Cash Balances	Miera	155
HB 756	Endowed Chairs for Economic Development	Beam	379
HB 834	NMFA Public Project Revolving Fund Loans	Taylor, JG	74
HB 845	NMFA Loan Agreements with OCA	Lujan, B	430
HB 881	SHTD Name Change	Silva	142
HB 882	Severance Tax Bonds for Water Projects	Lujan, B	134
HB 920	Income Tax Act Definition of "Resident"	Lujan, B	13
HB 955	Comprehensive NM Health Care Study	Picraux	380
HB 967	Natural Gas Pipeline Feasibility Study	Marquardt	196
HB 992	Public School Short-term Bonds	Lujan, B	238

REFERENCED LEGISLATION

TABLE 16

Bill Number	Title	Sponsor	Chapter
HJM-4	Impact of Water Impoundments	Stewart	
HJM-27	Higher Education Performance Fund	Salazar	
HJM-85	Veteran-owned Small Business Growth Plan	Hamilton	
SB 44	County Revenue Bonds for NMFA Debt	Fidel	98
SB 91	Drug Court Fees	Snyder	240
SB 109	Drinking Water Loan Fund Appropriation	Leavell	105
SB 123	Acequias and Community Ditch Requirements	Cisneros	82
SB 124	Water Banking Authority	Cisneros	54
SB 128	Unused Water Forfeiture Exemption	Beffort	67
SB 134	Capital Expenditures, STB	Campos	385
SB 186	Nurse Licensure Compact	Beffort	307
SB 188	Implement Increased Veteran Tax Exemption	Romero	57
SB 195	State Water Plan	Feldman	137
SB 213	Clinical Laboratory Gross Receipts Deduction	Jennings	350
SB 244	Amend Info Technology Management Act	Campos	308
SB 255	Naprapathic Practice Act	Altamirano	60
SB 266	Ignition Interlock Devices	Cravens	92
SB 273	Water and Wastewater Project Grants	Maes	61
SB 298	Abolish Tobacco Settlement Permanent Fund	Aragon	312
SB 327	Fee for Domestic Violence Offenders	Feldman	387
SB 331	Premium Tax Exemptions	Jennings	58
SB 338	Medicaid Reform Committee Recommendations	Feldman	315
SB 369	Create Higher Education Performance Fund	Campos	388
SB 370	Higher Ed Program Development Enhancement	Campos	389
SB 377	Tuition Scholarships	Altamirano	390
SB 385	Soil and Water Conservation Districts	Altamirano	319
SB 391	Senior Citizen Prescription Drug Wavier	Feldman	34
SB 416	High School Career Centers	Nava	32
SB 425	Youth Council Act	Nava	324
SB 429	NMFA Projects without Legislative Approval	Martinez	325
SB 466	Economic Development Professorships	Altamirano	416
SB 513	Public School Capital Outlay	Nava	147
SB 551	State Engineer Authority Over Water	Beffort	63
SB 574	Increase Liquor License Fees	Griego	246
SB 584	Metro Court Financing	Aragon	45
SB 596	License Fees for Securities Representatives	Smith	247
SB 621	Withhold Oil and Gas Payments to Nonresidents	Ingle	86
SB 624	Children's Code Implementation Problems	Papen	108
SB 632	Medication Aides Trial Program	Altamirano	332
SB 652	Removal of State Transportation Commissioners	Maes	55
SB 654	TRICARE Services Gross Receipts	Altamirano	351
SB 655	Supplemental General Appropriations Act	Altamirano	83
SB 691	Transfer Adult Basic Education to CHE	Altamirano	394
SB 718	Public Utility Transition Cost Recovery	Sanchez, M	336
SB 752	Clarify CYFD Duties	Jennings	338
SB 804	Increase Cigarette Tax	Aragon	341

REFERENCED LEGISLATION

TABLE 16

Bill Number	Title	Sponsor	Chapter
SB 841	Amend Water Project Finance Act	Aragon	139
SB 843	Water Trust Board Project Approval	Aragon	140
SB 932	Statewide Economic Development Finance Act	Aragon	349
SJM-25	Higher Education Performance Fund	Campos	
SJM-28	Santa Fe Regional Water Authority	Maes	
SJR 2	Cabinet-Level Education Department, CA	Carraro	
SJR 6	Permanent School Fund Distribution, CA	Nava	