2013 was the first time in four years the University of New Mexico received an increase in state funding. This year also began on a positive note. The 2013 session of the Legislature commenced with the promise of a gradual economic turnaround and consensus revenue estimates projecting "new money" in the amount of $283 million. Additionally, there is $122 million in Severance Tax Bonds and $42 million in non-recurring general funds available for capital projects. The following summarizes how UNM fared in the HED, DFA and LFC budget recommendations for FY 13:

**HED – Higher Education Department**
- I&G budget recommendation starts from the FY 13 operating base:
  - Main Campus $178,071,606, a 2.9% increase.
  - Health Sciences Center $60,050.1, a 2.4% increase.
- No tuition credit or tuition waivers.
- ERB Swap – Employee swap of 1.5% or $4,163,617.
- Research and Public Service Projects
  - Main Campus $8,078,300, a 1.1% increase.
  - Health Sciences Center $27,581,000, a 3.0% increase.
- No Equipment Renewal and Replacement (ER&R)

**DFA - Department of Finance and Administration – Executive**
- I&G budget recommendation starts from the FY 13 operating base:
  - DFA recommended total dollar change for UNM of $9,786,800 for FY14. The recommendation does not include a compensation increase. No further details available as of 1/22/13.
- No tuition credit or tuition waivers
- ERB Swap – Employee swap of 1.5%
- Research and Public Service Projects – No reductions
- No Equipment Renewal and Replacement (ER&R)

**LFC - Legislative Finance Committee**
- I&G budget recommendation starts from the FY 12 operating base:
  - Main Campus $179,920,400, an 4.0% increase
  - Health Sciences Center $59,512,500, a 1.5% increase
- No tuition credit or tuition waivers
- ERB Swap – Employee Swap of 1.5% and increase of 0.75% recommended funding at approximately 60% of total salaries based on the portion paid by I&G funds.
- 1% compensation increase based on salaries paid by I&G funds.
- Research and Public Service Projects
  - Main Campus $7,979,500, a 0.1% reduction
  - Health Sciences Center $28,431,000, a 6.1% increase
    - Echo $511,500
    - OMI $319,500
- No Equipment Renewal and Replacement (ER&R)
Retirement Issue:

The much anticipated bill that encompasses proposed changes to the education retirement plan endorsed by ERB stakeholder groups and approved by the Education Retirement Board last fall has been introduced. House Bill 64 is sponsored by Rep. Mimi Stewart, chair of House Education Committee, and Senate Bill 115 is sponsored by Sen. Stuart Ingle, Senate Minority Leader. The main elements include an increase of employee contributions to 10.7%; a minimum retirement age of 55 for new members and raising the eligible age for receiving a COLA from 65 to 67 for new members. With unfunded liabilities of approximately $6.2 billion, there are fears about the long-term solvency of the education retirement fund.

Building Renewal and Replacement

- The LFC Budget Recommendation provided $20 million to the Higher Education Department for building renewal and replacement for higher education institutions. The LFC did not specify how the money would be distributed.

Endowment

- The LFC also recommended $20 million to replenish the higher education endowment fund. Main Campus would receive 18% and Health Science Center would receive 12% as provided in statute.
Proposed Legislation of Interest.

- Please visit the Office of Government Relations website at [Http://govrel.unm.edu/](Http://govrel.unm.edu/), and click on 2013 Legislative Session for a list of all bills that impact UNM. For daily legislative updates, please sign up to join our listserv for updates.

- UNM Related:

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<tr>
<th>Bill</th>
<th>Sponsor(s)</th>
<th>Description</th>
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<tbody>
<tr>
<td>HB23</td>
<td>James E. Smith and Timothy M. Keller</td>
<td>HIGHER ED FACULTY TENURE CONDITIONS</td>
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<td>SB11</td>
<td>Timothy M. Keller and James E. Smith</td>
<td>STATE GRADUATE EMPLOYMENT TAX CREDIT</td>
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<td>SB55</td>
<td>Sue Wilson Befort</td>
<td>UNM ARCHITECTURE SCHOOL COMMUNITY OUTREACH</td>
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- Health Sciences Center Related:

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<tr>
<td>HB69</td>
<td>Mimi Stewart</td>
<td>UNM HEALTH CENTER COLLEGE OF PUBLIC HEALTH</td>
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<tr>
<td>HB80</td>
<td>Miguel P. Garcia</td>
<td>UNM DENTAL SCIENCE PROGRAM</td>
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<td>SB22</td>
<td>Gerald Ortiz y Pino</td>
<td>HEALTH EXTENSION RURAL OFFICES</td>
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<td>SB53</td>
<td>Sue Wilson Befort</td>
<td>RETAIN UNM MEDICAL SCHOOL FACULTY</td>
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- Retirement and HR Related:

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- Capital Outlay Related:

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<td>SB60</td>
<td>Carlos R. Cisneros</td>
<td>SEVERANCE TAX BOND PROJECTS</td>
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<tr>
<td>SB98</td>
<td>Carlos R. Cisneros</td>
<td>SUPPLEMENTAL SEVERANCE TAX BONDS</td>
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SB 60, Severance Tax Bond Project, Senator Cisneros:

MATH AND SCIENCE LEARNING CENTER PHASE 2 $6,000,000
HSC – HEALTH EDUCATION BUILDING $2,000,000
UNM-GALLUP INFRASTRUCTURE AND FIRE SUPPRESSION SYSTEM $1,500,000
UNM-TAOS CORE STUDENT SUCCESS CENTER $1,500,000
UNIVERSITY OF NEW MEXICO TOTAL $11,000,000

2013 Legislative Session Additional Capital Outlay Needed:

- Chemistry Building- Renovation
  - Total Project Cost: $24,000,000
  - Funding to date: $3,000,000 (UNM Capital Funds)
  - $16,000,000 (2012 GOB’s)
  - Funding need above SB-60: $5,000,000
  - The funding will fully fund this renovation. This facility, built in 1951, is critical to the University’s overall curriculum and the project will stop the demise of this critical department. It will provide needed modern labs and allow for recruitment of new research faculty. Chemistry is a “Central Science”, and a core pipeline for students to go into medicine, pharmacy, nursing, science fields, and engineering.

- Biology Expansion- Phase II
  - Total Project Cost: $13,699,000
  - Funding to date: $1,789,000 (2007 STB’s)
  - $1,000,000 (2007 General Fund)
  - $1,690,000 (2007 UNM Bonds)
  - $420,000 (2009 UNM BR&R)
  - $5,000,000 (2008 GOB’s)
  - $3,000,000 (2012 GOB’s)
  - Funding need above SB-60: $800,000
  - The funding will allow for the completion of the shell space in the newly constructed Biology building, which improves and expands the teaching and research facilities for the Biology Department. The project will also provide research laboratories and spaces for hands-on student training. Growing student enrollment has placed significant pressure on existing facilities, evidenced by biology majors having increase 275% in the past ten years.

- Farris Engineering- Phase I
  - Total Project Cost: $20,000,000
  - Funding to date: $0
  - Funding need above SB-60: $700,000
  - The funding will provide planning and design funds for this critically needed renovation. The project will renovate a 45 year old building to address current teaching and research needs as well as overall facility deficiencies for the Chemical and Nuclear Engineering and Computer Science departments. The project will upgrade the mechanical and electrical systems, which are beyond their useful lives, as well as address critical safety and code compliance issues. Finally, it provides renovated teaching and office space, which is needed to meet the modern educational and research demands in this field.