

2015 Regular Legislative Session – Briefing: February 25, 2015

The 2015 legislative session commenced with falling oil prices and diminishing state revenues. The LFC and DFA revenue projections were estimated at \$283 million of “new money” in August and \$141 million of “new money” in December. The two agencies released a new estimate in early February and revised the revenue estimate down to \$83 million “new dollars” and also lowered the Severance Tax Bond capacity from \$231 to \$210 million. The following summarizes how UNM fared in the DFA, LFC, and HAFC budget recommendations for FY 16:

➤ DFA – Department of Finance and Administration – Executive

- I&G budget recommendation starts from the FY 15 operating base:
 - Main Campus, \$191,251,400, a \$2,103,500 increase or 1.1%
 - Health Science Center, \$62,331,600, no increase recommended
 - Branch Campuses
 - Gallup, \$9,272,300, no increase recommended
 - Los Alamos, \$1,886,000, a -\$19,100 decrease or -1.0%
 - Taos, \$3,548,700, a \$60,400 increase or 1.7%
 - Valencia, \$5,568,200, a \$22,400 increase or 0.4%
- Research and Public Service Projects
 - Main Campus
 - No increases recommended
 - Health Science Center
 - Medical Residencies, \$1,810,000, a \$905,000 increase
 - Branch Campuses
 - No increases recommended

➤ LFC – Legislative Finance Committee

- I&G budget recommendation starts from the FY 15 operating base:
 - Main Campus, \$193,890,300, a \$4,742,400 increase or 2.5%
 - Health Science Center, \$62,799,100, a \$467,000 increase or 0.75%
 - Branch Campuses
 - Gallup, \$9,272,300, no increase recommended
 - Los Alamos, \$1,903,300, a -\$1,800 decrease or -0.1%
 - Taos, \$3,593,600, a \$105,300 increase or 3.0%
 - Valencia, \$5,652,500, a \$106,700 increase or 1.9%
- Research and Public Service Projects
 - Main Campus
 - Degree Mapping Program, \$200,000
 - Health Sciences Center
 - Project Echo \$300,000
 - Medical Residencies, \$1,810,000, a \$905,000 increase
 - Office of Medical Investigator, \$50,000
 - Branch Campuses
 - No increases recommended

➤ **HAFC – House Appropriations and Finance Committee**

- I&G budget recommendation starts from the FY 15 operating base:
 - Main Campus, \$191,264,000, a \$2,116,100 increase or 1.1%
 - Health Science Center, \$62,799,100, no increase recommended
 - Branch Campuses
 - Gallup, \$9,272,300, no increase recommended
 - Los Alamos, \$1,886,000, a -\$19,100 decrease or -1.0%
 - Taos, \$3,488,300, a \$56,600 increase or 1.62%
 - Valencia, \$5,545,800, a \$30,100 increase or 1.9%
- Research and Public Service Projects
 - Main Campus
 - Education Television, -\$106,000
 - Family Development, \$50,000
 - Brain Safe Program, \$175,000
 - Degree Mapping Program, \$75,000
 - Health Sciences Center
 - Out-of-County Indigent, -\$662,600
 - Project Echo \$150,000
 - Medical Residencies, \$1,810,000, a \$905,000 increase
 - Branch Campuses
 - No increases recommended

➤ **Lottery Scholarship:**

- For FY 16, the Executive budget has requested a \$6.5 million non-recurring general fund appropriation to maintain the lottery scholarship disbursement at 95% of tuition for the next three semesters.
- HAFC did not include the \$6.5 million from the general fund to maintain the lottery scholarship disbursement at 95% of tuition for the next three semesters.
- SB355, CHANGES TO LOTTERY PURCHASES, CONTRACTS AND TRANSMISSIONS OF REVENUE, Permits the use of a credit or debit card to purchase lottery tickets if the purchase is \$20 or less. Authorizes the New Mexico Lottery Authority to contract for a period of up to ten years for instant ticket printing and computer gaming systems. Directs the authority to transmit quarterly the net revenue of the previous quarter to the state treasurer for deposit in the Lottery Tuition Fund.

➤ **Compensation**

- With dwindling state revenues, neither the Legislative Finance Committee nor the Department of Finance Administration recommended a state wide compensation package for public employees.
- HAFC did not recommend a compensation increase for state employees.

➤ **Endowment & Economic Development**

- The LFC budget has recommend \$5 million for the higher education endowment fund. This recommendation is contingent on the passage of legislation that would change how the fund is disbursed.
- The Executive budget has recommended \$2.5 million to replenish the higher education endowment fund. This recommendation is for targeted positions and is contingent on the passage of legislation.
- The Executive budget has recommend \$1 million for the Technology Research Commission (TRC)
- HAFC recommended \$5.5 million for the higher education endowment fund. The committee adopted the LFC’s recommendation that the funding is contingent on the passage of legislation.

➤ **SB 159, Severance Tax Bond Projects, Senator Carlos Cisneros:**

UNM – Interdisciplinary Science and Education Building	\$ 500,000
HSC – Health Education Building Phase 3	\$ 6,000,000
UNM GALLUP – Construction Technologies Career Center	\$ 350,000
UNM TAOS – Career Technical Center	\$ 90,000
UNM VALENCIA – Chilled Water System	\$ 150,000
UNIVERSITY OF NEW MEXICO TOTAL	\$ 7,090,000

➤ **Proposed Legislation of Interest.**

- Please visit the Office of Government Relations website at <http://govrel.unm.edu/>, and click on 2015 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:

HB170	HIGHER EDUCATION ENDOWMENT FUND CHANGES	Larrañaga, Larry A.	[3] HEC/HAFC-HEC	RELATING TO HIGHER EDUCATION; CHANGING THE DISTRIBUTION PROCESS AND USES OF THE HIGHER EDUCATION ENDOWMENT FUND; CREATING THE HIGHER EDUCATION ENDOWMENT COMMITTEE; PRESCRIBING POWERS AND DUTIES; PROVIDING FOR MERIT-BASED AWARDS FROM THE HIGHER EDUCATION E
HB282	HIGHER ED COMMON COURSE NAMING & NUMBERING	Montoya, Rod	[5] HEC/HGEIC-HEC [13] DP-HGEIC	RELATING TO HIGHER EDUCATION; REQUIRING A COMMON COURSE NAMING AND NUMBERING SYSTEM BY AUGUST 1, 2017; UPDATING REFERENCES TO THE HIGHER EDUCATION DEPARTMENT.
SB657	LOTTERY SCHOLARSHIP AS FULL SCHOLARSHIP	Sanchez, Michael S.	[10] SEC/SFC-SEC	RELATING TO HIGHER EDUCATION; MAKING THE LOTTERY TUITION SCHOLARSHIP A FULL SCHOLARSHIP BASED ON FINANCIAL NEED.

- Health Sciences Center Related:

HB121	USE OF NURSE EDUCATORS FUND	McMillan, Terry H.	HPREF [3] HHC/HEC-HHC [7] DP-HEC [10] DP [12] PASSED/H (64-0) [10] SEC/SFC-SEC	RELATING TO NURSING EDUCATION; ALLOWING ANY REGISTERED NURSE WHO IS OR WILL BE A NURSE EDUCATOR TO USE THE NURSE EDUCATORS FUND TO OBTAIN A HIGHER DEGREE.
SB22	DRUG OVERPRESCRIBING HOTLINE	Padilla, Michael	SPREF [1] SPAC/SJC/SFC-SPAC	APPROPRIATES \$250,000 TO THE BOARD OF PHARMACY FOR FY 2016 TO DEVELOP AND IMPLEMENT THIS PROGRAM TO ESTABLISH A PROGRAM TO ADDRESS THE OVERPRESCRIBING OF CONTROLLED SUBSTANCES, WHICH PROGRAM SHALL INCLUDE A 24-HOUR TELEPHONE HOTLINE AND A PUBLICLY ACCESSI
SB53	ASSISTED OUTPATIENT TREATMENT ACT	Papen, Mary Kay	SPREF [1] SPAC/SJC/SFC-SPAC [5] DNP-CS/DP-SJC [6] DNP-CS/DP-SFC [10] DP/a [15] fl/a- PASSED/S (30-11)	(FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE AND THE COURTS, CORRECTIONS AND JUSTICE COMMITTEE) PROPOSES THE ASSISTED OUTPATIENT TREATMENT ACT TO PROVIDE A FRAMEWORK FOR ASSISTED OUTPATIENT TREATMENT FOR CERTAIN PERSONS WITH MENTAL ILLNESS. CO

- Budget and Capital Outlay Related:

HB2	GENERAL APPROPRIATION ACT OF 2015	Larrañaga, Larry A.	[3] HAFC [15] DNP-CS/DP	MAKING GENERAL APPROPRIATIONS AND AUTHORIZING EXPENDITURES BY STATE AGENCIES REQUIRED BY LAW.
SB159	SEVERANCE TAX BOND PROJECTS	Cisneros, Carlos R.	SPREF [3] SFC	RELATING TO CAPITAL EXPENDITURES; AUTHORIZING THE ISSUANCE OF SEVERANCE TAX BONDS; AUTHORIZING EXPENDITURES FROM CERTAIN FUNDS AND BALANCES; CLARIFYING CONDITIONS FOR THE ISSUANCE OF BONDS; ESTABLISHING CONDITIONS FOR THE EXPENDITURE OF SEVERANCE TAX BOND