The 2018 legislative session started on a very high note compared to the previous. In December, the Consensus Revenue Estimate predicted $1.1 billion in new money for FY20 and an additional $1 billion in non-recurring revenue. The Severance Tax Bonds are estimated at $212 million, $40 million more than the previous year. The following summarizes how UNM fared in the various budget recommendations.

**DFA – Department of Finance and Administration – Executive**
- I&G budget recommendation starts from the FY19 operating base:
  - Main Campus: $187,338,500, a $4,086,700 increase or 2.24%
  - Medical School: $58,264,100, flat funding recommendation
  - Branch Campuses:
    - Gallup: $8,509,700, a $23,500 increase or 0.28%
    - Los Alamos: $1,790,900 a $33,900 increase or 1.93%
    - Taos: $3,494,400, a $83,800 increase or 2.46%
    - Valencia: $5,403,000, a $93,300 increase or 1.76%
- Research and Public Service Projects
  - Main Campus: $10,802,000, flat funding
  - Health Science Center: $32,828,000, flat funding
  - Branch Campuses: $571,500, flat funding
- One-Time Higher Education Funding
  - College Affordability Scholarship $25,000,000
  - Teacher Loan Repayment $25,000,000

**LFC – Legislative Finance Committee**
- I&G budget recommendation starts from the FY19 operating base:
  - Main Campus: $187,423,100, a $5,130,300 increase or 2.82%
  - Medical School: $59,429,400, a $1,165,300 increase or 2%
  - Branch Campuses:
    - Gallup: $8,500,600, a $14,400 increase or 0.17%
    - Los Alamos: $1,799,300, a $42,300 increase or 2.41%
    - Taos: $3,519,200, a $108,600 increase or 3.18%
    - Valencia: $5,426,900, a $117,200 increase or 2.21%
- Research and Public Service Projects
  - Main Campus: $9,919,100, an increase of $300,000
  - Health Science Center: $30,980,900, an increase of $150,000
  - Branch Campuses: $571,500, flat funding
- One-Time UNM Funding
  - Cancer Center 340B $2,000,000
- One-Time Higher Education Funding
  - College Affordability Scholarship $50,000,000
  - Teacher Loan Repayment $25,000,000
  - Higher Education Endowment Fund $25,000,000
HB2 – House Appropriations and Finance Committee

- I&G budget recommendation starts from the FY19 operating base:
  - Main Campus: $187,338,500, a $4,086,700 increase or 2.24%
  - Medical School: $58,242,200, a $21,900 decrease
  - Branch Campuses:
    - Gallup: $8,509,700, a $23,500 increase or 0.28%
    - Los Alamos: $1,790,900 a $33,900 increase or 1.93%
    - Taos: $3,494,400, a $83,800 increase or 2.46%
    - Valencia: $5,403,000, a $93,300 increase or 1.76%
- Research and Public Service Projects
  - Main Campus: $11,052,000
  - Health Science Center: $32,978,000
  - Branch Campuses: $571,500, flat funding
- One-Time Higher Education Funding
  - College Affordability Scholarship $25,000,000
  - Cancer Center 340B, $1,000,000

Lottery Scholarship:
- Senate Bill 283, Lottery Tuition Decrease and Operational Expenses, Senator Candelaria
  - Removes 30% mandate for transfer of gross revenues to the scholarship fund
  - No less than a $41 million transfer to the fund by 2022 (as lobbied by students)
  - Operations expenses must be reduced to 15% of revenue for next three years
  - Unclaimed prizes go to the scholarship fund by 2022
  - Should all that not materialize within three years, we go back to the 30% mandate.

Compensation:
- The LFC and DFA both recommended a pay increase for state employees this session. The LFC recommended a 2% pay increase and DFA recommended a 3% pay increase. However, the actual dollar amount recommended for the pay raises is below the actual cost to provide the full 2% and 3% compensation.
- HB2 – House Appropriations and Finance
  - 4% compensation increase funding at the “I&G Rate”
Pension Reform:
- Senate Bill 14 and House Bill 360, Educational Retirement Changes, Senate Stuart Ingles
  - Increases Employer Share by 1% per year for the next three years
  - Removes all return-to-work exceptions
  - Increases retirement age for future members
- HB2 – House Appropriations and Finance
  - 0.5% increase for employer share, funded at “I&G Rate”

Capital Outlay, LFC Recommendation:

<table>
<thead>
<tr>
<th>Institution</th>
<th>Project Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>UNM</td>
<td>Learning Environment Critical Safety and Technology Upgrades</td>
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<td>UNM HSC</td>
<td>Movement Disorders Specialized Center</td>
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<td>UNM HSC</td>
<td>OMI CT Scanner</td>
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<td>UNM GALLUP</td>
<td>Campus Infrastructure Upgrades</td>
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<tr>
<td>UNM LOS ALAMOS</td>
<td>Infrastructure Upgrades</td>
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<tr>
<td>UNM TAOS</td>
<td>Site Repair and Improvements</td>
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<tr>
<td><strong>UNIVERSITY OF NEW MEXICO TOTAL</strong></td>
<td></td>
<td><strong>$13,100,000</strong></td>
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</table>

Proposed Legislation of Interest.

- Please visit the Office of Government Relations website at [http://govrel.unm.edu/](http://govrel.unm.edu/), and click on 2018 Legislative Session for a list of all bills that impact UNM. For daily legislative updates, please sign up to join our listserv for updates.