

2019 Legislative Session – Briefing: March 11, 2019

The 2019 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: \$186,338,500, 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%
 - Dual Credit Adjustment, \$4,400
 - Los Alamos: \$1,790,900 a \$33,900 increase or 1.93%
 - Dual Credit Adjustment, \$16,600
 - Taos: \$3,494,400, a \$83,800 increase or 2.46%
 - Dual Credit Adjustment, \$98,200
 - Valencia: \$5,403,000, a \$93,300 increase or 1.76%
 - Dual Credit Adjustment, \$79,300
- Research and Public Service Projects
 - Main Campus: \$11,052,000
 - NEW, Veteran Student Resources, \$250,000
 - Health Science Center: \$32,978,000
 - NEW, Child Abuse Evaluation Services, \$150,000
 - Branch Campuses: \$571,500, flat funding
- One-Time Higher Education Funding
 - College Affordability Scholarship \$25,000,000
 - Cancer Center 340B, \$1,000,000

➤ **HB2 – Final Version**

- I&G budget recommendation starts from the FY19 operating base:
 - Main Campus: \$188,848,800, a \$6,547,000 increase or 3.6%
 - Research Mission Adjustment, \$235,400
 - Medical School: \$60,124,000, a \$1,881,800 increase or 3.2%
 - Branch Campuses:
 - Gallup: \$8,622,000, a \$135,800 increase or 1.6%
 - Dual Credit Adjustment, \$4,400
 - Los Alamos: \$1,814,500 a \$57,500 increase or 3.2%
 - Dual Credit Adjustment, \$23,500
 - Taos: \$3,494,400, a \$129,900 increase or 3.8%
 - Dual Credit Adjustment, \$124,500
 - Valencia: \$5,403,000, a \$164,600 increase or 3.1%
 - Dual Credit Adjustment, \$100,500
- Research and Public Service Projects
 - Main Campus: \$11,052,000
 - NEW, Veteran Student Resources, \$250,000
 - Health Science Center: \$32,978,000
 - NEW, Child Abuse Evaluation Services, \$150,000
 - Cancer Center, \$750,000 increase
 - Branch Campuses: \$571,500, flat funding
- One-Time Higher Education Funding

- College Affordability Scholarship \$25,000,000
 - Cancer Center 340B, \$1,250,000
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➤ **Supplemental Appropriation Legislation:**

- **House Bill 548, Special Appropriations for State Agencies, Higher Ed, and Legislature, Patricia Lundstrom**

- Non-recurring funding, \$1,112,000
 - Bioscience Authority, \$12,000
 - BBER to uranium mine clean up study, \$150,000
 - Charlie Morrisey, \$50,000
 - Chicano Studies high school curriculum development, \$125,000
 - Chicano Studies pathway to college careers, \$75,000
 - African American Student Services, \$50,000
 - Charlie Morrisey UNM-Gallup, \$190,000
 - OMI Grief Services, \$140,000
 - Mock Trial, \$80,000
 - Beach Volley Ball, \$250,000
- Recurring funding, \$1,643,000
 - EUREKA, \$50,000
 - El Centro, \$50,000
 - American Indian Student Services, \$60,000
 - Chicano Studies, \$250,000
 - Charlie Morrisey UNM-Gallup, \$60,000
 - Charlie Morrisey STEM, \$40,000
 - NMNEC, \$450,000
 - Utton Center, \$50,000
 - HSC Diversity Program, \$150,000
 - Bioscience Authority, \$63,000
 - OMI Grief Services, \$220,000
 - Mock Trial, \$50,000
 - African American Studies Program, \$150,000

- **Senate Bill 536, Special Appropriations for State Agencies, Higher Ed, and Legislature, Senator John Arthur Smith**

- Non-recurring funding, \$1,114,000
 - Bioscience Project, \$50,000
 - Chicana Chicano Studies Graduate Assistantships, \$50,000
 - American Indian Student Services, \$100,000
 - HPV Registry, \$100,000
 - BBER Impact Study of Santolina Development, \$50,000
 - ECHO Crisis Intervention Training, \$150,000

- Athletics Student Fan Experience, \$257,000
- ROTC Planning and Design, \$357,000

- Recurring funding, \$1713,000
 - Project ECHO, \$364,000
 - NMNEC, \$50,000
 - Mock Trial, \$175,000
 - UNM Press, \$150,000
 - Student Athlete Nutrition and Behavioral Health, \$357,000
 - ROTC Planning and Design, \$357,000
 - Primary and Secondary Residencies, \$100,000
 - HPV Registry, \$100,000
 - American Indian Student Services, \$60,000

➤ **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:**

- **House Bill 360, Educational Retirement Changes, Representative Tomas Salazar**
 - 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 – Senate Finance Committee**
 - 0.25% increase for employer share, funded at “I&G Rate”

➤ **Senate Bill 280, Capital Outlay Expenditures, Senator Carlos Cisneros**

Statewide Capital Outlay

UNM – Security Cameras and Fire Suppression	\$ 6,000,000
UNM – ROTC Facility Phase 2	\$ 2,000,000
UNM HSC – Movement Disorders Specialized Center	\$ 3,500,000
UNM HSC – OMI CT Scanner	\$ 1,400,000
UNM HSC – Hospital Tower Medical Facility	\$30,000,000
UNM GALLUP – Campus Infrastructure Upgrades	\$ 975,000
UNM LOS ALAMOS – Infrastructure Upgrades	\$ 750,000
UNM LOS ALAMOS – Library Loft	\$ 500,000
UNM TAOS – Land Grant Archives Facility	\$ 200,000
<u>UNM TAOS – Site Repair and Improvements</u>	<u>\$ 1,500,000</u>
UNIVERSITY OF NEW MEXICO TOTAL	\$46,825,000

Individual Capital Outlay

Athletics Facility Improvement	\$ 1,115,000
Financial Capability Center	\$ 25,000
Golf Course Irrigation	\$ 75,000
Meteorites and Museums	\$ 250,000
Natural History Science Center	\$ 100,000
North Golf Course Open Space	\$ 410,000
Geography Labs	\$ 50,000
Olympic Sports Facility	\$ 500,000
Academic Support Space	\$ 100,000
Art Annex and Mattox Center	\$ 160,000
Baseball Facility Improve	\$ 750,000
Baseball Sound System	\$ 75,000
Basketball Facility	\$ 100,000
CASAA Equipment	\$ 10,000
Center for Social Policy	\$ 30,000
Charlie Morrissey Research Hall	\$ 200,000
Classroom Safety and Security	\$ 150,000
Fine Arts Music Rooms	\$ 225,000
Graduate Spaces	\$ 230,000
Honors College Improve	\$ 100,000
Information Technology Infrastructure	\$ 655,000
Library Environments Improvements	\$ 45,000
Library Shelving Purchase	\$ 1,140,000
Locker Rooms Construction	\$ 158,600
Outdoor Student Space	\$ 75,000
Popejoy Hall Improve	\$ 1,000,000
Safety Lighting	\$ 85,000
Law School Wellness Center	\$ 144,000
Solar Panels	\$ 250,000
Volleyball and Swim Dive Facility	\$ 300,000
<u>Women’s Softball Facility</u>	<u>\$ 210,000</u>
Total Individual Capital Outlay	\$ 8,668,800

➤ **Proposed Legislation of Interest.**

- Please visit the Office of Government Relations website at <http://govrel.unm.edu/>, and click on 2019 Legislative Session for a list of all bills that impact UNM. For daily legislative updates. Please sign up to join our listserv for updates.