



State of New Mexico *Office of the Governor*

Governor Bill Richardson Signs \$4.4 Billion Balanced Budget

New Mexico Maintains Third Highest Cash Reserves in Nation

For Immediate Release
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SANTA FE- Governor Bill Richardson today signed into law a balanced budget that totals \$4.4 billion, and maintains New Mexico's cash reserves at \$372 million (8.5%), third highest in the nation.

"Fiscal responsibility and fiscal accountability are the twin cornerstones of building a budget," said Governor Richardson. "Investing wisely and demanding results - these are the principles guiding every decision I have made on the General Appropriation Act of 2004."

The budget legislation signed today by Governor Richardson is for FY '05, which begins July 1. The \$4.4 billion is an increase of 6.6% over FY '04.

"Fiscal responsibility also means investing in New Mexico's priorities," added Governor Richardson. "Education comes first. Economic growth is second. Caring for our children, protecting our water, keeping our streets and neighborhoods safe and providing access to affordable health care are the other priorities of this Administration and of our citizens. Together, the Legislature and the Executive have crafted a General Appropriation Act for 2004 that funds these top priorities."

Governor Richardson line item vetoed a total of \$19.2 million from the budget bill.

“This General Appropriation Act, with my line item vetoes, delivers a budget that is balanced, funds our state’s top priorities and demands results. It is a budget to run our government that also cuts taxes for our citizens. In sum, I am signing a budget that moves New Mexico forward on our Path to Progress,” said Governor Richardson.

FY '05 Budget Highlights

- The budget is balanced.

Education First

- **\$120 million in new money** into our public school classrooms.
- Over **\$70 million** in new money for **2% raises for teachers and public school employees**.
- \$9.6 million to **complete the phase-in of the Full-Day Kindergarten statewide**.
- **Many Education reforms are funded:** improved student assessment, more Indian Education programs, truancy and dropout programs, expanded Charter School opportunities and more rural education support.
- The General Appropriation Act of 2004 also includes **\$120 million in a “Lockbox”** to ensure future education reform.
- \$5 million to begin a program to increase salaries for educational assistants through a licensure system.
- This Budget **fully funds the improved higher education formula**.

The University system will be used like never before to address high priority needs in New Mexico by

- Providing an outreach program to address children’s health issues.
- Developing a sustainable management plan for the Rio Grande
- Adequately training New Mexicans for high-wage jobs.
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Building a Stronger, High Wage Economy

Creation of high paying jobs will continue as a priority.

- \$6 million for the **Industrial Development Training Program**.
- \$500,000 to attract **high paying jobs through our aggressive Economic Development Department jobs effort**.
- \$700,000 to protect the **livestock industry** from MAD cow disease
- \$1.3 million to **attract tourists** to New Mexico

Improving Our Transportation System

- \$56 million for transportation improvements under GRIP.
- An additional \$1.6 million to the **Park and Ride Initiative**.

Managing our Water and Natural Resources

- Over \$4 million to support **water management efforts**
- Existing **State parks** are expanded and new parks will be added.
- Funds are included to **restore the Bosque**

Preventing and Addressing Domestic Violence

- \$1.6 million to for **domestic violence shelters** and programs
- \$150,000 for the **Native American domestic violence shelter** in Albuquerque.
- **Domestic violence programs** initiated with Federal Violence against Women Act (VAWA) funds are funded to avoid cutbacks due to loss of federal funds.
- \$100,000 to **train state police officers and community members to recognize signs of domestic violence** and crimes against children.

Stopping DWI

- A **DWI “Czar”** has been created under the leadership of the Department of Public Safety to assure that efforts aimed at reducing drunk driving are well coordinated.
- A special **DWI unit** is funded for the **Gallup District Attorney**
- **Alcohol server training** is funded through the Regulation and Licensing Department.

Controlling Sexual Predators

- Steps were taken to continue the progress of **controlling sex offenders, by funding the Sex Offender Management Board Program: \$300k.**

- The Corrections Department received nearly **\$2 million for sex offender programs.**

Protecting Our Citizens

- **State Police Officers will receive a 5% salary raise.** This initiative will improve public safety by recruiting and retaining officers who are critical to public safety, especially in rural New Mexico
- **Homeland Security** programs were expanded to help protect New Mexicans from terrorist attacks.

Improving the Lives of New Mexicans

Guardianship services will be increased by nearly 25% to better care for New Mexicans that cannot adequately care for themselves.

- Funding for the **National Guard's Family Support Services** Program.

Supporting Social Services

- \$1.4 million for the **Workforce Development Program for women**
- More parents will be in a position to get to work...this budget provides \$3.2 million dollars for more **childcare** by increasing eligibility to **150% of the federal poverty level.**
- The **Adult Protective Services budget is fully funded** to provide adults with day care services and protection from elder abuse.
- **Adoption services are expanded** with a \$1.7 million appropriation

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Facing Medicaid Challenges

- The **Medicaid challenge was met** this Legislative Session. We **preserved Medicaid services for needy citizens, while reining in costs.** The Medicaid budget provides services for 408,000 New Mexicans, 267,000 of whom are children.

Improving the Health of Our Citizens

- \$400,000 for a Child Immunization Program
- \$1.9 million for Maternal & Child Health Programs
- \$8.9 million to increase services for the disabled and elderly
- \$6 million for Anti-Smoking and Smoking Prevention Programs

- \$1 million for Diabetes Management Programs
- \$670,000 for AIDS Programs
- \$619,000 for the Rural Primary Health Care Act Program
- \$350,000 for Northern New Mexico Drug Treatment
- \$1 million for Rape Crisis and Related Programs
- \$120,000 for new Sexual Assault Programs

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