



State of New Mexico

Office of the Governor

Bill Richardson
Governor

News Release

Governor Bill Richardson Announces New Mexico Revenue Estimates Up- State Will Receive Additional \$216 Million This Fiscal Year

New estimates project more than \$1 billion additional revenue over next five years- Governor declares 2006 “Year of the Child”

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SANTA FE- Governor Bill Richardson today announced new revenue estimates for New Mexico show the state will receive an additional \$216 million this fiscal year, and a total of \$1.1 billion in additional revenue over a five year period from 2005-2009.

“These new numbers are based on an economy that is on the move and policies that are working,” said Governor Richardson. “I promised to govern in a fiscally responsible way, balancing budgets, making our tax system fairer and more competitive with surrounding states. The billion dollar surplus we are announcing today is proof of the success of our policy initiatives.”

Here’s the breakdown of revised revenue estimates:

FY 2005 revenue up \$216.4 million,

FY 2006 revenue up \$234.8 million

Fy2007 revenue up \$237.5 million

FY 2008 revenue up \$221.7 million

FY 2009 revenue up \$189.6 million

Total increase \$1.1 billion averaging well over \$200 million more per year in recurring revenue for the next five years.

While oil and gas revenues are up, the overall improvement is broad-based. This year alone corporate tax revenue is up 75.8% over 2004 and personal income tax revenues are up 6.7%. Total New Mexico employment is up 50,000 jobs from January 2003. The state is now ranked 14th in the nation in job growth, adding 14,600 new jobs since May 2004.

The estimated FY 2006-07 “new money” is \$268.5 million. This is the maximum amount by which recurring appropriations can grow and still maintain a balanced budget. Based on an analysis of the problems the state faces and the unprecedented resources that are anticipated the Governor declared that 2006 will be the “Year of the Child”.

“When I came into office in 2003, New Mexico had the highest number of children living in poverty in the nation -- 30 % of children under five,” said Governor Richardson. “We were 48th in teacher salaries, 49th per-capita income; and 50th in the nation in the number of children uninsured. We were the lowest in child immunization, an issue the First Lady has tried to reverse. We had the highest number of teen deaths by suicide, accident or murder and ranked 48th in teen birth rates. These figures are unacceptable. We have the resources. We know the problem and it is the right thing to do. Children will be my top priority for the 2006 legislative session.”

Children have been a priority for Governor Richardson since he took office in 2003. In February of 2003, the Governor signed an Executive Order creating the Children’s Cabinet, headed by Lieutenant Governor Diane Denish. Governor Richardson believes the state can take advantage of what the Children’s Cabinet has already accomplished to focusing more resources on our children.

“Today we build on the hard work and research done by the Children’s Cabinet and take a bold step forward to rewrite the story of New Mexico’s children,” said Lt. Governor Denish.

Governor Richardson is proposing:

- That Pre-K be made permanent and available to every 4 year old. The people want it and that is evident from the response from across the state.
- Raising Teacher salaries: we need to stay competitive, retain and attract the best and keep our resources in the classroom.
- Insuring all children under 5. These are the vulnerable years and we have to do better. The Governor wants an aggressive campaign to insure our children.
- Immunization for all children. We are making progress but we have a long way to go. In 2001 only 61% of our children were immunized. By the end of 2003 we were up to 78%. The Governor’s goal is 100%.
- Every school child to have physical education once a day.
- Expanding early reading and math programs.
- All school children have a healthy breakfast every school day.
- Expanding childcare for working parents so they can continue to work and know their children are safe.

- More eye exams, more hearing exams and more frequent health screenings for children.
- More school based health centers and more health care professional and nurses in the schools. Removing junk food from schools and expanding anti-obesity programs.

The Governor plans to announce the details of his plan before the start of the 2006 session of the New Mexico Legislature.

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