

Dear Friends, Neighbors and Constituents,

There are two weeks to go in this long, very **long** session. The economic picture has gotten worse and we in the state legislature are struggling with troubled times that demand adjusting our priorities and tightening our belts.

Several weeks ago we came up with a **Solvency Budget** that will keep state government afloat for this fiscal year, which ends June 30th. As I write this letter, the proposal for next year's budget (House Bill 2) and the question of what to do with New Mexico's **\$1.8 billion stimulus package** is now in the hands of the Senate. We will have to make several important decisions to deal with the projected shortfall in revenue. (We are \$600 million short for next year)

Here are the financial decisions hanging in the balance:

- Whether to reduce general fund appropriations by **reducing salaries** for teachers and other state employees. One proposal is to shift payments for retirement from state employers to state employees, including teachers. Teachers would have to **increase their payments** to PERA and ERA by 1.25 % --saving the state \$42 million.

- Whether to save the **College of Santa Fe** at a cost of \$3 million each year and more to pay for the facility

- Whether to reform corporate taxes to garner more payments from big box retailers, oil and gas companies and large utilities.

- Whether to spend, save or build up **reserves** for an even worse 2011. House Bill 2 proposes keeping reserves at 12.8% next year and increasing them to 13.2% the following year. Many of us wonder if this is too high—when people are losing their jobs, sustaining salary cuts and housing woes.

These challenges are enough to test the finest public servants. I am happy to have the results of your survey to guide me, and in the last two weeks of this session I will do my best to **prevent** cuts in education and health care spending, as per your requests.

Several of my major **health care bills** have made it through the Senate and are now in the House. They include a bill to expand **cancer clinical trials** (SB 42), another to allow physicians to donate unused RX drugs to other patients (SB 40), and yet another to require that **hospitals report infections** (SB 408). If you support these measures, you might call my secretary, Margaret Garcia at 986-4482 to find out how you can help get them passed.

Ethics and campaign finance reform continue to be a huge challenge in the Senate. The bills I am sponsoring (with the help of the

Attorney General) to limit campaign contributions (SB 116) and create an independent ethics commission (SB 140) have been stalled in the Senate Rules Committee for weeks. My "Pay-to-Play" bill to expose contributions given to state officials by contractors (SB 296) is only now seeing the light of day, and another to open legislative Conference Committees

(SB 150) has not even been heard, although it was introduced over a month ago. It seems as though the leadership of the Senate is determined to block these reform and transparency measures, although the House has now passed almost all of the items mentioned above.

A number of bills have been introduced this session by Bernalillo County Senators to reform the **Middle Rio Grande Conservancy**, including my own trails bill (SB 222). Last week, the entire Board came to Santa Fe to meet with us and try and find some common ground. This is a necessity, since urban ratepayers are paying the district \$7.5 million a year, accounting for about 60% of the entire district's revenue and Senators want to know what their constituents are getting in return. I'm hoping for a process to establish a trails program. But the dialog is just beginning.

A reform of the **Off-Highway Vehicle program** I started in 2005 is now pending in the House. Senate Bill 379, which I co-sponsored with Sen.Phil Griego, will increase enforcement, fees and provide protections from damage to public land and agricultural pursuits by these vehicles.

Finally I have been very busy as the Chairwoman of the Senate Public Affairs Committee where we have considered over 200 bills on everything from **stem cell research** to ATMs in racinos. On a positive note, I expect some important reforms in title insurance, mortgage lending, securities and property taxes to come out of the session. And there will probably be some additional tax credits for solar and other forms of alternative energy, as well.

Back on the home front, I have decided to let the state use my usual capital outlay allocation this year, if I can be assured that it will actually go into needed services. But I was able to reauthorized some unused funds for repairs at a local community center, a park near Garfield Middle school, parking and station areas for the Railrunner, and to help a local community farm. We'll see if these funds are swept away in the second round of "take-backs" from the state.

Thanks again to those of you who wrote, called, visited or e-mailed me during the session. Most of all, thanks to those of you who completed my survey and sent additional comments. I'm listening. I hope some of you get a chance to check out my blog at <http://senatorfeldman.typepad.com> where I'll be posting additional comments at the end of the session. As always, feel free to call my office at 505-986-4482 or e-mail me at dedefeld@comcast.net.

Even in these tough times, I am honored to serve you and promise to continue to work hard for you.

Respectfully,

Dede Feldman