

February 16, 2010

Dear Friends, Neighbors and Constituents,

This has been one of the most difficult sessions I have experienced. Fashioning a budget that will fill-- and backfill—a gaping shortfall of over \$500 million has been a challenge for all of us, both Republicans and Democrats. With only one day to go in this year's legislative session, we have still not completed this task, and the specter of a special session is looming larger. Both the Senate and the House have passed their own versions of a budget, but there are big differences between the two, and, with only two days to go, a conference committee to reconcile these differences has not yet been appointed.

The differences between the two budgets are large. Both balance the budget, as constitutionally required, but the Senate proposal relies more on cuts in state government (\$120 million) than the House's (\$70 million). To raise revenue, the House levies \$340 million worth of taxes including a half-penny hike to the state's gross receipts tax, a 1.5 percent surtax on the income of wealthiest New Mexicans and a measure that would net taxes from the out-of-state owners of business partnerships. The Senate on the other hand would tax non-essential food items and add \$1 to the state cigarette tax. The taxes generated from the Senate proposals would generate only half of the revenue (\$180 million) as those passed in the House.

I cannot yet report on where the twain shall meet. While I am pleased that the Senate adopted my proposal (Senate Bill 30) for a cigarette tax, which will yield \$33 million in revenue, I continue to be alarmed by the cuts necessitated by the shortage of revenue, especially in the areas of education and health care. Cuts to the Department of Health (\$38.5 million), for example, will mean thousands fewer patients seen in public health, primary care and school-based clinics, affecting families throughout the state who rely on these safety net facilities. Prevention efforts will be decimated and our ability to respond to emergencies jeopardized. In addition, APS alone could lose \$35 million, affecting 780 employees. Schools statewide will lose \$94 million, a 6.6% decrease.

I continue to prefer the House budget, and I hope a compromise can be worked out in an open (thanks to my bill last year!) conference before the session ends.

Meanwhile, the Senate has passed several important proposals, including a restructuring of the scandal-plagued State Investment Council, restrictions on “double dipping” and my own SB 28 which bans contributions from prospective state contractors during the procurement period and requires disclosure of campaign contributions over \$250 made to public officials in the prior two years. These measures have yet to go through the House, and the clock is ticking. Also pending there is a bill I sponsored to set up a Health Care Reform Working Group to deal with any reforms that make it through the US Congress, and a bill that could recoup millions for the strapped Medicaid program, so we can keep any cuts in benefits to a minimum.

I have succeeded in passing two Memorials which do not need to go to the House. They become effective immediately. One asks the Middle Rio Grande Conservancy District to convene a Task Force to reform the district's election process. MRGCD Board elections typically have very low turn-out (5-6% at best) are held off-year, off season, and are not operated according to the state's usual procedures. Voters must be property owners, and there is no limit or requirement for disclosure of campaign contributions. Elections are operated by a private contractor and the district is using voting machines outlawed by the state. MRGCD agreed with the Memorial and will start the process soon. Call 247-0234 to get involved.

The other Memorial was one I carried for the Wild Friends, a statewide group of elementary and middle school students, who each year draft a measure relating to wildlife and then follow it through the legislative, with kids testifying and lobbying. This year's measure was to encourage state and local governments to landscape with pollinator-friendly plants. Kids from Mission Ave. Elementary came and gave eloquent testimony on this and they are using native bushes to design their own garden at the end of Mission Ave. near their school. Congratulations to all the Wild Friends.

Thanks again to all of you who filled in my survey, e-mailed, called and came up to the legislature this year. You are an important part of this process.

Sincerely,

Senator Dede Feldman