

## **Twin Benefits of Capital Outlay: Jobs and Quality Infrastructure** **By Senator Pete Campos**

The New Mexico Legislature is prepared to give the struggling state economy a multi-million-dollar boost, putting New Mexicans back to work and building the roads, water systems and other infrastructure that supports a recovering economy.

Work on a \$250 million public works bill has begun, as city and village leaders, county commissioners and community and neighborhood organizers have spent the last year identifying pressing needs, planning projects to ensure their top priorities are "shovel ready" and communicating those requests to local legislators. Legislators are vetting those requests, knowing that the total dollar amount requested will far exceed the money available for projects, requiring individual members to make tough decisions about which projects can be funded this year and which will have to wait.

The legislature's priorities are to complete unfinished projects; fully fund new projects or commit to fully fund each phase of a multi-phase project; fund those projects that will keep serving New Mexicans long after the money borrowed for the project is paid back; and fund projects that will improve public safety, health, transportation, schools and water systems.

The old haphazard process of funding capital outlay projects in piecemeal fashion or that do not fit within the state's infrastructure plan is long gone.

Local governments must review their strategic plans and proceed cautiously before beginning projects that taxpayers may not be able to maintain. Fully funding unfinished projects helps ensure that these dormant projects do not cost us more in the long run because we have allowed a partially finished project to deteriorate. Funding new projects and purchases that will outlive the life of the typical 10-year bond ensures that state taxpayers will pay off the loan long before the project or purchase is obsolete. Public health, welfare and safety projects must be given priority and be put ahead of projects that may be nice to do but are not necessary.

The legislature recognizes the difference between what the state "wants" and what the state "needs".

A comprehensive and thoughtful approach to capital outlay funding will help our economy grow to its full potential. Substantial investments in large projects can spur economic growth. Infrastructure investments at our four-year and two-year educational institutions will pay off because New Mexico's entire higher education system can work seamlessly to prepare young New Mexicans for the work force.

A proposal to improve the review and scrutiny of capital outlay projects, from both a legislative capital outlay review committee and a capital outlay planning and monitoring division in the executive branch, will be introduced again this year. The selection of capital outlay projects must be improved as well as the monitoring of how funds are expended.

Good infrastructure is critically important to the social and economic well-being of New Mexico and its residents. The legislature recognizes this reality and will continue working to ensure that the right projects are selected for limited funding and that the funds are spent properly.