

Legislature's Capital Outlay Process Needs Reform

By Senator Pete Campos

The New Mexico Legislature, during the 2015 session that begins January 20, will approve more than \$200 million worth of special projects around the state. Most of that money will be well-spent on projects that will improve New Mexicans' lives, but too much money will be wasted on projects that are not reviewed properly, are not part of an overall state plan or cannot be maintained by local governments for the near future.

The state's haphazard process for deciding which capital outlay projects to fund is well-documented. The solutions — such as a legislative capital outlay review committee and a capital outlay planning and monitoring division in the executive branch — are also well-documented. What's been lacking, and what needs to happen this year, is the commitment from the legislature and the executive to make those proposals our new reality.

Better review by technical experts and policymakers in both branches of government would help ensure that local governments have the resources needed to properly operate and maintain projects long after they are completed — and long after the bonds that financed the projects are paid off — and that local government leaders and taxpayers will make that financial commitment.

The legislature has worked hard to provide the money necessary to complete unfinished projects; stand by our commitment to fully fund new projects; fund only those projects that have long-term benefits for New Mexicans; and fund projects that improve public safety, health, transportation, schools and water systems.

But we can and must do more. The money available each year for capital outlay projects is not limitless and must be spent wisely. The millions of dollars appropriated is important every year, but the impact is especially great now, as New Mexico's economy struggles to regain its footing. Funding for construction and other special projects helps create jobs immediately and over the long term as streets, water systems, schools and cultural amenities are improved and spark the economic synergy necessary for further growth.

This is why the decisions about which projects to fund are so important and must be made

correctly.

Our process of identifying, vetting, prioritizing and monitoring capital outlay projects, while undoubtedly flawed, does have some qualities worth retaining. Our process recognizes New Mexico's geographic diversity and ensures that money for projects is distributed relatively evenly across the state to urban and rural areas and to areas rich in the resources that make such projects possible and those that lack those resources. But it also allows projects that have not been thoroughly planned or that are arguably less critical than others to be equally funded.

We need a more thoughtful process that more critically reviews potential capital outlay projects by both the legislative and executive branches. Only capital outlay projects that are ready to break ground should be funded so we don't waste money on projects that need more planning, that are awaiting other sources of funding or that don't have the support of local leaders. We must continue our commitment to appropriate enough money to finish a project or to finish definitive phases of a project so that New Mexico's landscape is no longer dotted with half-finished projects standing as testimony to a flawed review process.

We must ensure that local governments have the resources and willingness to commit those resources to operate and maintain projects long after they are completed to ensure that the state's investment is not wasted and to ensure that the full potential of a project is realized.

Finally, we must recognize the difference between projects that are "needed" and those that are merely "wanted". Focusing on projects that improve public safety, health, transportation, schools and water systems should take priority over others.

We've improved our process over the years, and we can make it even better by making more reforms in 2015.

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