

Today's Budget Cuts Can Be Repaired Later This Year By Senator Pete Campos

The budget cuts under consideration during the current legislative session are a painful continuation of cuts we've made for the last several years. But the recession that has forced these cuts is ending and there is hope that critical services can be restored as early as this fall.

The signs of an economic recovery, however weak and uncertain, are undeniable. Corporate profits, both nationally and in New Mexico, are up. Consumer spending and confidence are up. The steady loss of jobs appears to have leveled off, and while unemployment remains high, it's not getting any worse. The effects of a recovery are not strong enough to forestall more cuts right now, but if the economy continues to improve, we should not wait until next year to restore services and programs that have already suffered.

The legislature will likely meet in a special session in September to adjust legislative and congressional districts based on the 2010 census and that is the perfect time to consider the state of the economy, carefully examine state revenues, and, if the improvements we're seeing now continue, restore funding to areas of the state budget that have been cut so badly since the recession began.

We will not return soon to the days when New Mexico enjoyed a \$6 billion budget, but even small increases will help ease the pain caused by cutbacks in education, health and public safety programs. Our state budget is in many ways a moral document, a reflection of our collective priorities and our willingness to devote resources to those New Mexicans who are most in need of assistance or who may not be as fortunate as the rest of us. Inflation and enrollment growth continue to drive up the costs of Medicaid, the joint state-federal program that provides health care to poor families — mostly single women and their children — and the disabled. Our public schools, which are the key to each student's individual success and our collective economic fortune, have suffered as programs have been cut and the number of students in each classroom has increased. Additionally, public safety has been threatened as our prisons are becoming more crowded and fewer state police officers are on the street.

We've managed to work through this recession by relying on one-time federal funds, by shifting unused cash from state projects to operational spending and by cutting as little as possible. We're doing everything we can to fund important public services and keep government running effectively — everything from sweeping up every available dollar from cash balances to implementing any efficiencies we can find — at the same time as we're working to keep the state's budget reserves at five percent of appropriations. But we've run out of easy solutions, and critical public services have been stretched to the breaking point. We must jump at the first opportunity we have to restore funding of state programs to the appropriate level.

Using the special session on redistricting, which must be completed before the regular session next year, would also be a wise use of legislators' time and the state's money. The special session on redistricting 10 years ago cost more than \$600,000. As difficult as redistricting can be, there is always some downtime during any special session, and we can use that time to consider how best to take advantage of what we hope will be an improved state treasury.

By this fall, we will also have the benefit of measuring the early effects of any state government restructuring plans that are implemented now. Consolidating some state agencies and eliminating dozens of boards and commissions will not only save money, but also make state government more effective and efficient. Because such major reforms do not happen easily or quickly, we can also use the time between now and the fall special session to work with Governor Susana Martinez on other restructuring proposals.

We'll also be close to being able to implement a new higher education funding formula

for our two-year, four-year and research colleges and universities.

Our fiscal woes are not over yet, but there's reason to be hopeful. It took a long time for this recession to build up and finally make its effects known in the state treasury, and our recovery will be gradual. We've learned a lot, as individuals, institutions and governments, and we can apply those lessons in the future. But we should not delay for even a few months an opportunity to repair the damage done by recent budget cuts.