

**Budget Fix Coming Soon for Colleges, Universities;
Time to Renew Efforts to Create Jobs
By Senator Pete Campos**

Funding for New Mexico's colleges and universities, which was vetoed by the governor following this year's regular legislative session, will soon be restored, ending the confusion and consternation that has bedeviled students and faculty for months. The Legislature, which will either restore funding for higher education in the special session or win in court to overturn the governor's veto of its funding, will return its attention to creating jobs and repairing New Mexico's ailing economy.

As a retired college president and, before that, a public school superintendent, I understand the problems our colleges and universities are facing with absolutely no funding as of July 1. Students are reconsidering plans to enroll; professors, instructors and support staff have no assurance that they will have jobs after July 1; and the reputation of New Mexico's higher education system suffers across the country.

The only good news is that the Legislature is committed to restoring funding for our colleges and universities — without any strings attached.

The governor's demand that comprehensive tax reform be approved before funding for higher education is restored is neither prudent nor possible. There is virtually no disagreement that tax reform is necessary, but to do it in a matter of a few days without any reliable data on the likely or even possible effects it will have months from now would be irresponsible. We must proceed cautiously, remembering that predicted outcomes of some past tax reform efforts proved completely wrong, and seek reforms that stabilize the state's revenue streams to ensure that essential public services — education, public safety and health programs — continue uninterrupted.

We will consider, and should approve, several tax measures to modernize our system and close loopholes. Chief among those is the internet sales tax loophole that puts our community stores at a disadvantage when selling the same goods as online retailers. Although legislation to close this loophole was vetoed during the regular session, there is reason to believe that the governor will look more favorably upon it now.

There is more disagreement, deservedly so, surrounding other tax proposals. Reimposing the "food tax", which the governor has said she is open to considering, should be rejected. Every New Mexican would pay the food tax, and it would hurt middle-class and lower-income New Mexicans because a greater percentage of their income each month goes to pay for groceries.

Taxing nonprofit hospitals at the same rate as their for-profit competitors could be considered, but we must look carefully at the effect that would have on rural health care clinics, where many of the most economically vulnerable New Mexicans receive care. There's a reason we tax nonprofit hospitals and clinics differently than for-profit hospitals, and we should not change that policy quickly. We cannot afford to lose medical, dental and behavioral health services, as well as the jobs that go along with providing those services, in our rural areas.

Last year alone, 343,000 New Mexicans received care at nonprofit primary care clinics. Their voices need to be heard as we debate this issue.

Reforming our tax system cannot be done quickly and without legitimate data on the effects of changes. Tax reform will be an appropriate topic for the next regular session, which is only seven months away.

Instead, we can restore funding for our colleges and universities with commonsense tax reform (closing the internet sales tax loophole) and sweeping and diverting other state funds, including money earmarked for legislative retirement, to the state's General Fund.

The special session is a great opportunity to work together to improve our economy without burdening taxpayers. We are seeing early signs of an improving economy. We must take advantage of that to restore funding for our colleges and universities, rebuild the state's cash reserves and work to create jobs in New Mexico.

We are public servants, and we should always focus on the benefit for all New Mexicans.