

01-16-13

January 16, 2013

## Second Day, Not Much Happening Yet

The legislative session began yesterday with the election of new leadership. A long-standing controversy over the President Pro Tempore was resolved when a unanimous vote of the Senate elected the potential candidate of a Republican/Democrat coalition Mary Kay Papen. She was nominated by the former Democratic Caucus candidate Pete Campos. As a result of this controversy, the Senate is not expected to complete naming committees and chairs until Thursday.

The organization of the House was much more routine. Representative Ken Martinez was elected Speaker by a straight party-line vote with all 38 Democrats voting for him and the 32 Republicans voting for their floor leader.

The House is expected to announce its committee appointments later today, but the Senate is not expected to complete committee appointments before Thursday or Friday.

Very little business has been conducted. But it is not too early to contact your legislator about funding salaries. One tell them school employees need a raise and that the Governor's proposed 0 percent is not enough, Neither is the Legislative Finance Committee's 1%!

## Here are the two budget proposals.

The Legislative Finance Committee recommends \$32 million for a 1 percent increase for all public employees. Public employee salaries have not been increased across the board since FY09. The committee recommends \$38.4 million to reverse the 1.5 percent retirement swap (decrease in employer contributions to Public Employees Retirement Association and Educational Retirement Board, increase in employee contributions) adopted as a solvency measure in 2011. Finally the LFC recommends \$16 million for public schools and higher education to fund a scheduled 0.75 percent employer contribution increase that had been postponed during the solvency era. The ERB employer increase is contingent on enactment of 2013 legislation to further restore ERB solvency.

For public schools, the LFC is focused on the need to improve early learning proficiency and to close the achievement gap. The committee recommends \$2.5 billion in overall education funding, an increase of almost \$91 million, or 3.7 percent, over FY13 appropriations (not counting \$18 million for a recommended 1 percent compensation increase). Many states have added weights for at-risk students as high as 50 percent, but the New Mexico at-risk weight is only 8 percent. The LFC recommends \$23 million as a companion to legislation to increase the weight for at-risk students and to begin aligning the training and experience index with the three-tiered licensure system. Further, the LFC addresses the significant problem of early literacy with increased funding for Kindergarten-Three-Plus and prekindergarten of \$5.5 million each. These programs target at-risk students and demonstrate a high return on investment.

The Governor's budget for public schools does not recommend an across the board salary increase, but rather targets \$11 million for a merit pay increase for some teachers and nothing for any other employees. The public education department requests \$2.5 billion in funding, which represents an increase of \$99.3 million, or 4.1 percent, increase over the FY 13 appropriation. The request contains:

- approximately \$2.34 billion to the State Equalization Guarantee, an increase of \$67.7 million, or 3.0 percent including:
- over \$21.0 million for the Educational Retirement Board (ERB) Employer/Employee swap ; and
- over \$11.5 million for an increase in the Employer's ERB contribution (0.75 percent)
- approximately \$132.5 million in categorical public school support, an increase of \$3.2 million, or about 2.5 percent.

## Legislative Training

NEA-New Mexico's annual legislative training session will be next week on January 23, follow the link below for details:

- Legislative Conference & Reception: January 23, 2013, Santa Fe
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