

# Legislative Update, February 14, 2018

## Budget Deal Finalized

The [General Appropriations Act, House Bill 2](#) is passed the Senate on 40-2 vote Tuesday. It will increase state spending by about \$249 million over current levels – or roughly 4.1 percent. The House version was amended by the [the Senate Finance Committee](#). One of the amendments added \$10 million to partially replace school district cash balances taken in last year's solvency legislation. Most public employees have not received a pay raise since 2014; the budget the will provide about \$90 million in total compensation increases. That includes a 2 percent salary increase for rank-and-file state workers and even larger pay bumps for State Police, corrections officers and judicial branch employees. Teachers would get a 2.5 percent pay raise, and starting teacher pay would go from \$34,000 to \$36,000 a year. Minimum pay levels for more experienced teachers would be raised as in Senate Bill 119 (see below). Other school employees would get a 2% raise. Another amendment requires that the Governor's merit pay plan be bargained in districts with collective bargaining. The budget plan also calls for more than 10 percent of state spending — or nearly \$643 million — to be set aside in cash reserves. As it sits now, in addition to the funding for public education, the budget fully funds Medicaid—the health insurance program for low-income kids, seniors, and those with disabilities —and child care assistance.

The House voted Tuesday not to concur with an assortment of Senate amendments that provided greater pay increases to police, prison guards and Albuquerque-based prosecutors and more money for state universities.

The disagreement appears to hinge on funding for road construction and maintenance. The House allocated \$60 million toward roadwork and that Senate amendments would have reduced that to \$34 million. A House Senate Conference has resolved a budget standoff between the House and Senate that had delayed approval of a \$6.3 billion General Appropriations Act. The Conference Committee report should shortly be adopted in both houses. The committee of six lawmakers agreed Wednesday afternoon to adjustments in spending on road maintenance, highway restroom upkeep, school district reimbursements and subsidies for police hiring.

The committee agreed to \$44 million in general fund spending on statewide road maintenance for the coming fiscal year. The state will return \$5 million, down from \$10 million in the Senate amendments, to public school district accounts, and earmark \$4 million toward highway rest stops.

Other than the \$5 million less for cash balances, school funding remained the same as in the original budget. They will add language encouraging all school districts and charter schools to boost Educational Support Professionals salaries to the same average as teachers. That would mean an average 2.3% for all employees, not 2.5% for teachers and 2% for other employees. NEA-New Mexico encouraged the conference committee to make raises equitable for all.

This morning the [House Education Committee](#) gave a unanimous do-pass recommendation to [Senate Bill 119](#) sponsored by [Senator Mimi Stewart](#) and co-sponsored by Senators [Gay Kernan](#) and [Bill Soules](#). This measure will increase the minimum for each licensure tier for teachers as follows: tier 1: \$36,000; tier 2: \$44,000; and tier 3: \$54,000. Call all [House members](#) to urge support.