

# Editorials — Opinions

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## Governor, Think New Mexico Say State Lottery Must Cut Costs

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SANTA FE -- A New Mexico think tank, appropriately named Think New Mexico, has to be very proud of itself. Two months ago, it issued a stinging report detailing how the New Mexico lottery needs to cut costs.

Its purpose was to free more money for lottery scholarships, which soon will not generate enough money to fully fund all the students eligible for the state's Lottery Success Scholarships program.

Think New Mexico's solution is to dedicate 30 percent of lottery revenues to the scholarships. Currently only about 24 cents of the lottery dollar goes to scholarships. Most states generate 30 percent or higher for recipients.

The additional six percent needed to achieve 30 percent to scholarships can easily come from administrative costs, according to Think New Mexico.

And the primary place to trim that fat is the online vendor services for which New Mexico pays an out-of-state firm 8.52 percent of revenues, while some other states our size pay their vendors more like 2.5 percent.

Somewhat surprisingly, only a few weeks after Think New Mexico's report was issued, the state Lottery's chief executive officer, Tom Romero, announced the contract will be rebid before the end of the year.

That's the good news. The rest of the story is that Romero wants to use the money saved to further increase his already high administrative expenses. He wants to hire more staff and do more promotions.

That staff already is large. Their salaries are high. And the promotions do not come close to passing the smell test. They are not broken out in the lottery's budget or audit.

So, it's Gov. Bill Richardson to the rescue. Just a few weeks after Romero's announcement, the governor

revealed his plans to keep the lottery solvent.

And one of the proposals is to provide at least 30 percent of lottery revenue for scholarships. That would be accomplished, Richardson says, by reducing administrative costs, which the governor cited as being the fifth highest in the nation.

Mission accomplished. Gov. Richardson and Think New Mexico, headed arm in arm to the Legislature, will be difficult to stop. Think New Mexico proudly calls itself results-oriented. This think tank doesn't just sit around and think.

Its many accomplishments include leading campaigns to provide full-day kindergarten to all New Mexico children and repeal the state's food tax.

Its bipartisan, non-ideological board of directors include former Gov. Garrey Carruthers, former Secretary of the Interior Stuart Udall, former Attorney General Paul Bardacke, and GOP mover and shaker Ed Lujan.