



Title: **New Mexico's capital outlay process is crazy**  
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# New Mexico's capital outlay process is crazy

New Mexico has a unique, dare I say bizarre, system for funding capital projects.

Money from bonds issued against the state's severance taxes are allocated by using a political formula. The dollars are divided up among the governor and 112 legislators, each of whom individually selects projects to fund in their districts. It is a system guaranteed to generate waste and inefficiency.

Because the amount allocated to any one legislator is limited, a legislator often doesn't have enough to fully fund a project. The result being projects to which funds are allocated may never get started, or, even worse, are started but not completed.

An example is the proposed veteran's museum here in Las Cruces. So far, \$1.5 million has been allocated by legislators. And indeed, an internet search can find lovely architectural mock ups complete with smiling

digital patrons, but there is no museum, nor is there likely to ever be one.

There are other equally stark examples from around the state: a building purchased to house a holocaust museum that the museum declined to occupy as unsuitable, Mariachi uniforms for Santa Teresa High School that go unused because the teacher retired, a half-built community center in Mora County, and so on.

Meanwhile, needed projects go unfunded.

Here in Las Cruces, our legislators have allocated \$555,000 for construction of a soundstage to provide production companies with a fixed facility to shoot films or television shows in Doña Ana County. I've frankly never seen a clearer example of corporate welfare, a project to benefit private interests at public expense.

The Capital Outlay Bill divides a relatively small budget among a large

number of small projects - \$300 million among 1,500 projects is typical.

This makes it hard to fund large, urgent projects. Things like football helmets and sculpture gardens get money, but dams and water systems remain unrepaired. And when large projects do receive funding, it is often the case that the amount allocated is inadequate to finish the project. In 2014, for example, 701 projects remained unfinished with \$174 million unspent.

Fortunately, there is an alternative that has been proposed by Think New Mexico. Think New Mexico is the extraordinarily effective Santa Fe-based think tank headed by Fred Nathan. NMSU President Garrey Carruthers is a member of its board. Past projects have included title insurance reform, all day kindergarten and streamlining the Public Regulation Commission.

Think New Mexico is now proposing reform of

New Mexico's capital outlay process. The think tank is recommending creation of an independent capital outlay planning board that would combine the infrastructure proposals of state agencies and local governments into a single, comprehensive plan. Projects that receive a high priority would then be submitted to the Legislature for approval.

The Think New Mexico proposal would bring much-needed sanity to the state's crazy capital outlay process. The reforms would create a new system that puts the needs of New Mexico's citizens above the parochial and petty projects of individual legislators.

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