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Lottery Contract Ordered Canceled Gov. Tells Board To Boot Lobbyist

"The governor believes more of the money generated by the lottery should go to scholarships and not bureaucracies," Richardson spokesman Gilbert Gallegos said Monday.

The governor told the state Department of Finance Administration to cancel the contract. Lottery Authority representatives were not available for comment.

The Lottery Authority board — whose seven members are appointed by the governor — had hired lobbyist Ed Mahr to "assist us through the legislative process," according to lottery CEO Tom Romero.

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Fred Nathan, executive director of a Santa Fe advocacy group called Think New Mexico, said he viewed Mahr's hiring as an attempt to kill a bill that would earmark at least 30 percent of lottery revenues for a scholarship fund.

Senate Majority Leader Michael Sanchez, D-Belen, has agreed to introduce a bill with the 30 percent provision during the legislative session that starts today, Nathan said.

Since its inception in 1996, that fund has helped pay tuition for more than more than 43,000 New Mexico students attending state-funded colleges and universities.

By Think New Mexico's calculations, the scholarship fund — which has been getting an average of 23.4 percent of lot-

tery revenues — would be operating at a deficit by 2011.

To avoid that, the think tank suggested the 30 percent earmark, coupled with trimming the lottery's "disproportionately high operating and administrative costs."

According to the lottery's annual report for 2006, those costs amounted to 21.4 percent of revenues, or about \$33.1 million. Administrative costs accounted for \$5 million of that amount.

Richardson, who said in October that he supported the 30 percent earmark, reiterated that stance through his spokesman on Monday.

"He's made it clear to the Lottery Authority that he's making the 30 percent provision one of his top priorities for the session," Gallegos said.

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Gov. Bill Richardson has ordered the Lottery Authority to cancel a \$32,000 contract with a lobbyist hired to monitor legislation that would earmark more lottery money for college scholarships.