

For immediate release
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Governor Bill Richardson Agrees to Deep Cuts for College Affordability Scholarships

Governor Signs HB 3

SANTA FE – Governor Bill Richardson signed House Bill 3 today, reluctantly agreeing to cut \$68 million from the College Affordability Endowment Fund – a program the Governor created to provide need-based scholarships to New Mexicans.

“It pains me to pull this money from a program that has successfully increased opportunities for many New Mexicans to attend college,” Governor Bill Richardson said. “Unfortunately, we all have to make sacrifices in order to balance the budget.

“We’re going to have to continue to make these kinds of sacrifices, especially when it comes to cutting capital outlay projects, when the Legislature meets again in January.”

In signing House Bill 3, Governor Richardson agreed to “sweep” nearly \$110 million from various state funds and accounts to help shore up the state’s main budget account. The bill targets money that is not being used. Most of that savings will come from the College Affordability Fund.

Governor Richardson used his veto pen today to keep about \$6.5 million in funding from being swept. For example, the Governor:

Saved \$500,000 in funding for domestic violence programs

Saved \$500,000 that was targeted from the State Auditor’s account. Without the money, the Auditor would not have been able to conduct effective audits

Saved \$3 million that would have been cut from the E911 Enhancement Fund in order to preserve \$900,000 in federal funding for that project

Saved \$800,000 for the Trail Safety Fund, which is funded by fees and designed to protect the safety of outdoorsman and other New Mexicans who use off-highway vehicles.

Saved \$1.7 million for Pre-Kindergarten programs

Governor Richardson worked with the Legislature to create the College Affordability Fund in 2005. Since then, thousands of New Mexicans have taken advantage of the scholarships, which are designed for students with financial need, who do not qualify for other state grants or scholarships.

Today’s action will remove \$68 million out of the nearly \$84 million currently in the fund. The earnings from the fund are used to pay for scholarships. There are currently 2,366 students receiving scholarships.

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