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**State Auditor Tim Keller Highlights State's Risk of Deficit Spending with
"Hot Checks" During Budget Standoff**

SANTA FE, NM – Today, State Auditor Tim Keller highlighted the risk of the State of New Mexico's deficit spending with "hot checks" during the ongoing budget standoff. A bipartisan budget was sent to the Governor but she has stated that she will reject it. Continuing without a signed budget means that the state may spend money it does not have and jeopardize its bond rating. The Office of the State Auditor's (OSA) recent audits noted that the state's financial controls aimed at preventing deficit spending are inadequate.

In January, the OSA wrote a letter to the administration warning of and highlighting this issue. The OSA put forth legislation during the recent legislative session carried by Senator Munoz (SB 133 and SB 242) and Representative Small (HB 293 and HB 294) that would have addressed the problem of the state spending money it does not have.

"This is bit like groundhog day when we raised the same issue months ago. The current budget situation in our state opens us up to a whole host of risks," stated State Auditor Tim Keller. "Without a signed budget and mechanisms in place to prevent deficit spending, our state may issue 'hot checks' with money we don't have and jeopardize our bond rating. The legislature already clawed back over \$900 million of unspent funds to help avoid deeper cuts to services and schools and has sent a budget to the Governor that is ready for signing."

The Office of the State Auditor helps government work better by providing transparency and accountability for government spending; informing policy choices; and tackling fraud, waste and abuse. OSA is an independently elected executive agency responsible for examining the use of public dollars in New Mexico.

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