

April 7, 2023

HOUSE EXECUTIVE MESSAGE NO. 18

The Honorable Javier Martínez, Speaker of the House and
Members of the House of Representatives
State Capitol Building
Santa Fe, NM 87501

Dear Speaker Martínez and Members of the House:

In January, I submitted a budget that built upon the progress my Administration has made over the past four years to address critical needs in health care, education, early childhood development, homelessness, housing, economic development, the environment, and public safety, while maintaining strong reserves. I am pleased that the Legislature prioritized these important initiatives.

This year's budget includes some major funding initiatives to continue helping our students increase levels of achievement. \$30 million will now provide free, healthy meals to all public school students, regardless of income, as well as fund other hunger initiatives. We increased the public school budget by approximately 8% to a total of \$4.2 billion. \$32 million of that appropriation will be used to support our public school personnel by reducing the cost of their health insurance. Data has shown that students who participate in Career Technical Education (CTE) programs are more likely to graduate. To that end, \$40 million has been allocated to expand the availability of CTE programs statewide. The public school year was increased to require a minimum of 1,140 hours, giving our students the opportunity to spend more time in the classroom. New Mexico will also continue to provide free college education, thanks to a recurring \$146 million appropriation to the Opportunity Scholarship. These investments in our schools, students, and teachers keep us on the path to a brighter future.

Additionally, I signed a bill creating the Rural Hospital Services Fund. This \$80 million fund is designed to provide support for rural health care delivery in parts of New Mexico often underserved with regard to available health care options. The fund will support newly constructed hospitals in counties with fewer than 100,000 residents by providing funds for operating losses accrued in the first five years of operation or for losses associated with the establishment of new or expanded services.

We also continued to prioritize our conservation efforts. The Land of Enchantment Legacy Fund will consist of two \$50 million funds, with one fund dedicated to existing state programs and the remaining \$50 million going into a permanent trust fund managed by the State Investment Council. The funding will support existing and successful programs that prioritize land and water stewardship, forest and watershed health, outdoor recreation and infrastructure, agriculture and working lands, historic preservation, and wildlife species protection.

Public safety continues to be a critical focus in this Administration. This year, \$100 million has been dedicated to law enforcement for, among other things, recruitment and development of robust criminal apprehension programs.

State employees are the lifeblood of New Mexico Government. All employees, as well as teachers, will receive a five percent pay raise. Additionally, employees and teachers will receive a one percent pay increase meant to offset the rising costs of health care.

I am pleased that we have also dedicated \$90.6 million to increase reimbursement rates for Medicaid providers and facilities. This increase will improve access and quality of care for New Mexicans, while also attracting and retaining physicians.

We also must continue to assist our fellow citizens who are struggling with homelessness. We have allocated \$20 million for rental assistance and other housing initiatives, \$2.5 million for a comprehensive landlord support program, and we now have \$10 million to provide grants to local governments to support housing infrastructure.

Notwithstanding the above accomplishments, I have vetoed parts of the General Appropriations Act that impermissibly attempt to create substantive law, a practice that Article IV, Section 16 of the New Mexico Constitution precludes. Similarly, I have vetoed provisions of the Act that attempt to enact general policy by imposing, for example, reporting or other requirements that do not exist in substantive law. Such general policies are “better addressed by general legislation and [are] not suitable for inclusion in the general appropriation bill.” *State ex rel. Coll v. Carruthers*, 1988-NMSC-057, ¶ 13, 107 N.M. 439, 759 P.2d 1380.

Finally, I have vetoed parts of the Act that impermissibly intrude into the executive managerial function. I object to provisions in the Act that unduly restrict appropriations to specified types of expenditures. These restrictions on agency functions exceed the Legislature’s proper, constitutionally defined role, unduly constraining the Executive’s ability to effectively administer programs to meet the State’s needs, in violation of the distribution of powers established by Article III, Section 1 of the New Mexico Constitution. *See generally Coll*, 1988-NMSC-057, ¶¶ 11-36.

Accordingly, I this day SIGN and RETURN:

HOUSE APPROPRIATIONS AND FINANCE COMMITTEE SUBSTITUTE FOR HOUSE BILLS 2 AND 3, as amended, with certification of correction, which was enacted during the Fifty Sixth Legislature, First Session, 2023, except the following item or items, part or parts, which I hereby veto pursuant to the authority granted to me in Article IV, Section 22 of the New Mexico Constitution:

On page 3, I have vetoed lines 8 through 15. The vetoed language contradicts existing state law governing general fund reversions requirements, Section 6-5-10 NMSA 1978.

On page 3, I have vetoed lines 16 through 23. The vetoed language contradicts existing state law governing general fund reversions requirements, Section 6-5-10 NMSA 1978.

On page 27, line 19, I have vetoed the words “for the New Mexico department of agriculture”. The vetoed language would unnecessarily restrict the availability and efficient use of these funds.

On page 31, I have vetoed lines 13 through 16. This is an overly burdensome obligation for the agency to complete by July 1 and an unreasonable infringement into the executive managerial function.

On page 33, I have vetoed lines 5 through 8. This is an overly burdensome obligation for the agency to complete by July 1 and an unreasonable infringement into the executive managerial function.

On page 51, line 16, I have vetoed the words “and manufactured housing”. On line 17, I have vetoed the words “and manufactured housing”. On line 19, I have vetoed the third instance of the word “and” and on line 20, I have vetoed the words “manufactured housing”. The vetoed language creates uncertainty with respect to separate appropriations.

On page 57, line 8, I have vetoed the words “other state funds”. The vetoed language would have deprived the Office of the Superintendent of Insurance of this appropriation.

On page 57, line 12, I have vetoed the words “other state funds”. The vetoed language would have deprived the Office of the Superintendent of Insurance of this appropriation.

On page 60, line 3, I have vetoed the words “and staffing”. The vetoed language would have created funding for personnel with no funding in the appropriate personal services and employee benefits categories.

On page 67, I have vetoed lines 22 through 25.

On page 82, line 7, I have vetoed the words “reduced by” and from the second instance of the word “and” through the end of the line, and on line 8, I have vetoed from the beginning of the line through the second instance of the word “fund”. On line 10, I have vetoed from the word “is” through the word “thereof”. The vetoed language is removed to provide greater simplicity and clarity to the appropriation.

On page 82, I have vetoed lines 11 and 12. The vetoed language would contravene the law governing the Early Childhood Education Program Fund, a nonreverting fund, Section 9-29A-2 NMSA 1978.

On page 83, I have vetoed lines 11 and 12. The vetoed language would contravene the law governing the Early Childhood Education Program Fund, a nonreverting fund, Section 9-29A-2 NMSA 1978.

On page 84, I have vetoed lines 3 and 4. The vetoed language would contravene the law governing the Early Childhood Education Program Fund, a nonreverting fund, Section 9-29A-2 NMSA 1978.

On page 84, line 25, I have vetoed the words “reduced by” and from the word “and” through the end of the line. On page 85, line 1, I have vetoed from the beginning of the line through the second instance of the word “fund”. On line 3, I have vetoed the words “is appropriated in lieu thereof”. The vetoed language is removed to provide greater simplicity and clarity to the appropriation.

On page 85, I have vetoed lines 4 and 5.

On page 85, I have vetoed lines 6 and 7. The vetoed language would contravene the law governing the Early Childhood Education Program Fund, a nonreverting fund, Section 9-29A-2 NMSA 1978.

On page 91, line 8, I have vetoed the word “any” and on line 9, I have vetoed from the word “The” through the end of the line, and I have vetoed all of line 10. This language inappropriately adds unrelated substantive law to the appropriation bill.

On page 91, line 19, I have vetoed the words “and child”. The vetoed language would have prevented the Early Childhood Education Department from complying with statutes governing the fund in question.

On page 96, I have vetoed lines 4 through 7.

On page 124, line 13, I have vetoed from the word “in” through the word “category” and the words “for care”, and on line 14, I have vetoed from the beginning of the line through the word “support”. The vetoed language would have prevented the Crime Victims Reparation Commission from using appropriated funds to meet its statutory requirements and make intradepartmental transfers between victim services and victim payments categories.

On page 134, line 16, I have vetoed from the beginning of the line through the word “application”. On line 17, I have vetoed the words “an allocation from the”, and from the word “appropriation” through the end of the line, I have vetoed all of lines 18 through 24, and on line 25, I have vetoed from the beginning of the line through “1978”. The vetoed language would determine prioritization of agency funding and unreasonably infringe into the executive managerial function.

On page 136, line 20, I have vetoed from the second instance of the word “and” through the end of the line, and on line 21, I have vetoed from the beginning of the line through the word “committee”. The vetoed language is unnecessary because the Legislature already has several opportunities throughout the year to monitor the progress of executive agencies.

On page 139, line 22, I have vetoed from the second instance of the word “and” through “2023”. The vetoed language is unnecessary because the Legislature already has several opportunities throughout the year to monitor the progress of executive agencies.

On page 139, line 22, I have vetoed the word “Any” and I have vetoed lines 23 and 24. The vetoed language would prevent the Opportunity Scholarship from accumulating a fund balance, directly conflicting with Section 21-12-20 NMSA 1978.

On page 180, line 2, I have vetoed from the comma through the end of the line, and on line 3, I have vetoed the word “committee”. The vetoed language is unnecessary because the Legislature already has several opportunities throughout the year to monitor the progress of executive agencies.

On page 180, line 23, I have vetoed the letter “n” from the word “an”, and I have vetoed the word “average”. On line 25, I have vetoed the letter “n” from the word “an”, and I have vetoed the word “average”. The vetoed language prevents the equal application of salary increases to all employees.

On page 185, line 5, I have vetoed the letter “n” from the word “an”, and I have vetoed the word “average”. On line 7, I have vetoed the letter “n” from the word “an”, and I have vetoed the word “average”. The vetoed language prevents the equal application of salary increases to all employees.

On page 185, I have vetoed lines 12 through 14. The vetoed language conflicts with laws governing transportation distributions.

On page 186, line 9, I have vetoed from the word “to” through the end of the line, and on line 10, I have vetoed from the beginning of the line through the word “schools”. The vetoed language is unnecessary because existing law already defines eligible recipients.

On page 190, I have vetoed lines 13 through 17.

On page 191, line 1, I have vetoed the word “special”. The vetoed language would have rendered the appropriation unfeasible and unreasonably infringed into the executive managerial function.

On page 193, line 18, I have vetoed from the word “contingent” through the end of the line, and on line 19, I have vetoed from the beginning of the line through the word “finance”. The vetoed language creates an impermissible contingency and would have unreasonably infringed on the executive managerial function.

On page 194, line 7, I have vetoed starting with the comma through the word “providers”. The vetoed language would unnecessarily dilute the availability and efficient use of funds and risked a direct appropriation to a private entity, in violation of the Anti-Donation Clause, Article IX, Section 14 of the New Mexico Constitution.

On page 195, I have vetoed lines 7 through 11.

On page 197, I have vetoed all of line 16, and on line 17, I have vetoed from the beginning of the line through the second instance of the word “and”. The vetoed language would create significant non-compliance with the State Fiscal Recovery Fund Award.

On page 199, line 4, I have vetoed from the word “at” through the end of the line, and on line 5, I have vetoed from the beginning of the line through the word “technology”. The vetoed language would have prevented a competitive process for a critical public safety initiative and unreasonably infringed on the executive managerial function.

On page 202, line 4, I have vetoed from the word “to” through the end of the line, and on line 5, I have vetoed the word “committee”. The vetoed language is unnecessary because the Legislature already has several opportunities throughout the year to monitor the progress of executive agencies.

On page 202, line 24, I have vetoed the words “for San Juan county”. The vetoed language would unnecessarily restrict the availability and efficient use of funds.

On page 203, line 2, I have vetoed from the beginning of the line through the word “institutions”. The vetoed language would require distribution of funding through contracts, thereby unreasonably infringing upon the executive managerial function.

On page 203, line 9, I have vetoed from the comma through the end of the line, and on line 10, I have vetoed from the beginning of the line through the comma. The vetoed language conflicts with existing law governing eligible uses of funding under the Local Economic Development Act.

On page 204, line 20, I have vetoed from the comma through the end of the line. I have vetoed lines 21 and 22, and on line 23 I have vetoed from the beginning of the line through the word “provider”. The vetoed language would impermissibly amend by reference the Medical Malpractice Act, Section 41-5-1 NMSA 1978 *et seq.*

On page 205, line 12, I have vetoed the words “for efforts” and the word “species”, and on line 13, I have vetoed the words “of greatest” and the word “need”. The vetoed language would unnecessarily restrict the availability and efficient use of funds and was removed to provide greater simplicity and clarity to the appropriation.

On page 207, line 23, I have vetoed the words “studies faculty and” and the word “endowments”, and on line 24, I have vetoed from the beginning of the line through the word “costs”. Vetoing this language will provide the Indian Affairs Department with greater ability to transfer funding for the Native American Technical Assistance Centers and to expand tribal-serving healthcare and behavioral health services.

On page 211, line 3, I have vetoed the words “for San Juan county”. The vetoed language would unnecessarily restrict the availability and efficient use of funds.

On page 211, I have vetoed lines 5 through 8.

On page 212, line 19, I have vetoed from the word “and” through the end of the line, and I have vetoed line 20. On line 21, I have vetoed from the beginning of the line through the word “legislature”. The vetoed language would have rendered the appropriation unfeasible.

On page 214, I have vetoed lines 4 through 9.

On page 215, line 8, I have vetoed from the comma through the end of the line, and on line 9, I have vetoed from the beginning of the line through the word “center”. The vetoed language of sufficient funding is too vague and subject to interpretation.

On page 216, line 21, I have vetoed the second instance of the word “the” and on line 22, I have vetoed from the beginning of the line through the first instance of the word “and”. The vetoed language is unnecessary because the Legislature already has several opportunities throughout the year to monitor the progress of executive agencies.

On page 220, line 3, I have vetoed from the word “support” through the third instance of the word “to”.

On page 220, line 24, I have vetoed from the word “and” through the end of the line, and on line 25, I have vetoed the word “exams”. The vetoed language conditions funding on an expired requirement.

On page 221, line 18, I have vetoed from the word “and” through the word “credential”. The vetoed language removes redundant language that refers to a pre-existing special education credential.

On page 223, line 9, I have vetoed from the word “distributions” through the end of the line, and on line 10, I have vetoed from the beginning of the line through the period. The vetoed language presents an overly burdensome administrative requirement to be completed by July 15 and would have rendered the appropriation unfeasible.

On page 223, line 22, I have vetoed from the word “distributions” through the end of the line, and on line 23, I have vetoed from the beginning of the line through the period. The vetoed language presents an overly burdensome administrative requirement to be completed by July 15.

On page 226, line 13, I have vetoed from the second instance of the word “the” through the end of the line, and I have vetoed lines 14 through 20. The vetoed language would conflict with the law governing distributions to the Technology Enhancement Fund, Section 21-7-27.2 NMSA 1978, and unreasonably infringe upon the executive managerial function.

On page 227, I have vetoed lines 1 through 3.

On page 227, line 19, I have vetoed from the word “any” through the end of the line, and I have vetoed line 20. The vetoed language would have rendered the appropriation unfeasible.

On page 230, line 7, I have vetoed from the comma through the end of the line. I have vetoed all of lines 8 through 10, and on line 11, I have vetoed from the beginning of the line through the word “hospitals”. On line 15, I have vetoed from the word “the” through the end of the line, and I have vetoed all of line 16 and 17. The vetoed language would unreasonably infringe upon the executive managerial function to determine state employee health insurance premium rates.

On page 230, line 21, I have vetoed from the word “and” through the end of the line, and on line 22, I have vetoed from the beginning of the line through “2024”. The vetoed language would violate the law and regulations that govern the State Fiscal Recovery Fund Award and unreasonably infringe upon the executive managerial function to determine state employee health insurance premium rates.

On page 231, line 6, I have vetoed from the third comma through the end of the line, and on line 7, I have vetoed from the beginning of the line through “2024”. The vetoed language would unreasonably infringe upon the executive managerial function to determine state employee life insurance premium rates.

On page 235, line 5, I have vetoed from the second instance of the word “the” through the comma. The vetoed language is unnecessary because the Legislature already has several opportunities throughout the year to monitor the progress of executive agencies.

On page 239, line 22, I have vetoed from the second instance of the word “the” through the end of the line, and on line 23, I have vetoed from the beginning of the line through the comma. The vetoed language is unnecessary because the Legislature already has several opportunities throughout the year to monitor the progress of executive agencies.

On page 243, line 16, I have vetoed the letter “n” from the word “an”, and I have vetoed the word “average”. The vetoed language prevents the equal application of salary increases to all employees.

On page 244, line 16, I have vetoed the words “ten percent” and the words “rate increase”. The vetoed language would unreasonably infringe upon the executive managerial function to determine state employee health insurance premium rates.

On page 245, line 15, I have vetoed the letter “n” from the word “an”, and I have vetoed the word “average”. The vetoed language prevents the equal application of salary increases to all employees.

On page 246, line 12, I have vetoed “74,000.0”. On page 247, I have vetoed “The other state” on line 1, and lines 2 through 4. The vetoed language would unnecessarily restrict the availability and efficient use of funds.

On page 249, line 24, I have vetoed from the beginning of the line through the word “hospitals”. The vetoed language would unnecessarily restrict the availability and efficient use of funds.

Respectfully yours,

Michelle Lujan Grisham
Governor

RECEIVED FROM THE OFFICE OF THE GOVERNOR

Time: _____ a.m. p.m.
Date: _____ 2023

By _____
Secretary of State

Time: _____ a.m. p.m.
Date: _____ 2023

By _____
Chief Clerk of the House