

March 10, 2026

HOUSE EXECUTIVE MESSAGE NO. 96

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

Honorable Speaker Martínez and Members of the House:

I have decided to veto HOUSE APPROPRIATIONS AND FINANCE COMMITTEE SUBSTITUTE FOR HOUSE ENERGY, ENVIRONMENT AND NATURAL RESOURCES COMMITTEE SUBSTITUTE FOR HOUSE BILL 153 (“HB 153”).

HB 153 would enact a rebate program for the purchase of low-carbon construction materials, the Environmental Product Declaration Act to provide quantitative data on the carbon footprint for key materials, and the Industrial Carbon Reduction Act, which directs the Economic Development Department to design and administer new carbon-reduction incentives and grant programs in collaboration with the Environment Department. HB 153’s legislative intent is laudable and the programs it envisions support New Mexico’s status as one of the states with the fastest growing economy for advanced manufacturing and clean technology while we lead on climate action. The money in the budget for the Environment Department to execute this initiative will make New Mexico a better place to live, work, and play.

However, the programs need to be agile and adaptive to continue meeting marking needs and shifting ecosystem dynamics as they arise. Due to the prescriptive and inflexible provisions in HB 153, such as floors and ceilings on incentives, I am concerned that the sponsors’ intent for nation-leading programs that decarbonize the industrial sector will not be realized. While cat owners seek out kitty litter brands that excel at clumping, when we create new programs that constrain multiple agencies, less clumping is better.

As I veto this bill, I am directing the Environment Department to implement the key provisions of HB 153 this year and establish interagency collaboration structures that will last. As this bill was three separate bills rolled into one, the Legislature should be ready next year to add back the

portions (and budget) of the bill that are beyond the programs implemented through the appropriation to the Environment Department.

I thank the lead sponsor for her understanding. We have a shared commitment to ensure this critical initiative succeeds through streamlined and efficient programs coordinated through the Environment Department and Economic Development Department.

Because of these issues, and pursuant to my authority under Article IV, Section 22 of the New Mexico Constitution, I have vetoed HOUSE APPROPRIATIONS AND FINANCE COMMITTEE SUBSTITUTE FOR HOUSE ENERGY, ENVIRONMENT AND NATURAL RESOURCES COMMITTEE SUBSTITUTE FOR HOUSE BILL 153, enacted by the Fifty-Seventh Legislature, Second Session, 2026.

Respectfully yours,

Michelle Lujan Grisham  
Governor

RECEIVED FROM THE OFFICE OF THE GOVERNOR

Time: \_\_\_\_\_ a.m. p.m.  
Date: \_\_\_\_\_ 2026

By \_\_\_\_\_  
Secretary of State

Time: \_\_\_\_\_ a.m. p.m.  
Date: \_\_\_\_\_ 2026

By \_\_\_\_\_  
Chief Clerk of the House