

March 11, 2026

SENATE EXECUTIVE MESSAGE NO. 91

The Honorable Mimi Stewart, President Pro Tempore
and Members of the New Mexico State Senate
State Capitol Building
Santa Fe, New Mexico 87501

President Pro Tempore Stewart and Members of the Senate:

During my first seven years as Governor, our State allocated \$6.6 billion in capital outlay via the General Fund and Severance Tax Bonds, along with \$903 million through General Obligation Bonds to support New Mexico's growth. This year, an extra \$1.25 billion from SENATE FINANCE COMMITTEE SUBSTITUTE FOR SENATE BILL 240, as amended, with emergency clause, with certificate of correction ("SB 240") and \$357.5 million from House Bill 248 (the general obligation bond bill) are invested to enhance essential infrastructure across rural, suburban, and urban areas, as well as for our nation, pueblo, and tribal partners throughout the State.

SB 240 allocates a total of \$1.25 billion for various capital projects. It includes \$333 million for key higher education investments, such as \$280 million for the University of New Mexico's new school of medicine and \$95 million for constructing the Executive Office Building. Funds also cover \$83 million for public safety, \$67 million for public schools, and \$102 million for health and behavioral health initiatives, including \$75 million for a new forensic unit at the New Mexico Behavioral Health Institute. Additional allocations include \$80 million for water, wastewater, acequias, and dams across the State; \$26.5 million for statewide housing projects; \$10 million each for the STEM and Literacy Institutes currently under construction; \$20 million for state park projects; \$5 million for electric vehicle infrastructure; \$4 million for senior centers; \$25.5 million for courts; \$7 million for corrections; and \$67 million for parks and recreation projects in local communities.

Alongside the investments in SB 240, I approved House Bill 248 without any line-item vetoes. This biannual bill allocates \$357.5 million in general obligation bond funds, which include \$116 million for the University of New Mexico's new school of medicine facility, \$55 million for a new multidisciplinary academic building at New Mexico State University, \$40 million for upgrades to the mineral science and engineering complex at the New Mexico Institute of Mining and Technology, \$18 million for public, education, and tribal libraries across the State, \$17.7 million

for reforestation efforts in Mora County, and \$15 million for a new agriculture science and art annex building at Eastern New Mexico University.

Although our investments over the past seven years have been significant, there remains a substantial need statewide. I am responsible for ensuring that these funds are allocated to eligible entities that can legally access them. SB 240 includes two projects that do not meet this eligibility criterion. Therefore, I have vetoed \$475,000 in general fund projects directed to ineligible entities. These vetoes constitute a small portion of the total capital outlay funds allocated in SB 240, reflecting responsible stewardship of state resources. I have also vetoed appropriations to projects that are inadequately funded or not aligned with an approved comprehensive plan, as well as unnecessarily restrictive language regarding decisions properly within executive agency discretion to ensure funds are allocated to the correct fiscal agent and to guarantee that capital outlay appropriations are sufficient to complete the intended public projects.

New Mexicans deserve our best effort to allocate capital resources to projects that address local community needs and prioritize our most important needs and shared goals. Overall, this legislation supports those objectives.

Accordingly, I this day SIGN and RETURN:

SENATE FINANCE COMMITTEE SUBSTITUTE FOR SENATE BILL 240, as amended, with emergency clause, with certificate of correction, enacted during the Fifty-Seventh Legislature, Second Session, 2026, except the following item or items, part or parts, which I hereby veto pursuant to the authority granted me in Article IV, Section 22 of the New Mexico Constitution:

I have vetoed the word “old” on page 19, line 16. The vetoed language clarifies the use of the appropriation and prevents an unnecessary administrative burden on state agencies.

I have vetoed lines 21 through line 24 on page 42. The vetoed language appropriates funds to an entity ineligible for direct appropriations under Article IV, Section 31 of the New Mexico Constitution.

I have vetoed line 25 on page 42, and lines 1 and 2 on page 43. The vetoed language appropriates funds to an entity ineligible for direct appropriations under Article IV, Section 31 of the New Mexico Constitution.

I have vetoed the words “mutual domestic water consumers and sewage works” on page 101, line 2, and the word “association” on page 101, line 3. The vetoed language prevents the agency from using the full appropriation to implement the legislative purpose.

I have vetoed lines 23 through 25 on page 124 and line 1 on page 125. The vetoed appropriation does not adequately fund the project.

I have vetoed lines 5 through 7 on page 154. The vetoed appropriation is not aligned with an approved comprehensive plan.

I have vetoed lines 8 through 12 on page 154. The vetoed appropriation does not adequately fund the project.

I have vetoed the word “in” on page 199, line 23, and the words “McKinley county” on page 199, line 24. The vetoed language removes the project owner’s discretion to choose the best location for the project.

I have vetoed the words and punctuation “including a utility tractor and trailer, a liquid sprayer, a” on page 223, line 16, the words and punctuation “rotary tiller, a conservation seeder, a disk harrow and” on page 223, line 17, and the words and punctuation “agronomy and horticulture research equipment,” on page 223, line 18. The vetoed language would create an unnecessary administrative burden on state agencies.

I have vetoed the words “in Sandoval” on page 229, line 17, and the word “county” on page 229, line 18. The vetoed language removes the project owner’s discretion to choose the best location for the project.

I have vetoed the word and punctuation “trenching,” on page 235, line 24, the words and punctuation “controllers, isolation points, collapsed and capped” on page 235, line 25, and the words and punctuation “systems and landscape restoration,” on page 236, line 1. The vetoed language would create an unnecessary administrative burden on state agencies.

I have vetoed the word “tutoring” on page 236, line 9, the words “modular study”, “group”, and “technology enabled” on page 236, line 10, and the words “collaboration” and “support” on page 236, line 11. The vetoed language would create an unnecessary administrative burden on state agencies.

I have vetoed the words “wildfire and” on page 237, line 8. The vetoed language would create an unnecessary administrative burden on state agencies.

I have vetoed the words “wildfire and” on page 238, line 7. The vetoed language would create an unnecessary administrative burden on state agencies.

I have vetoed the words “wildfire and” on page 242, line 4. The vetoed language would create an unnecessary administrative burden on state agencies.

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