## April 7, 2017

## HOUSE EXECUTIVE MESSAGE NO. 56

The Honorable Brian Egolf, Jr., Speaker of the House and Members of the House of Representatives State Capitol Building Santa Fe, NM 87501

Honorable Speaker Egolf and Members of the House:

I have this day SIGNED HOUSE APPROPRIATIONS AND FINANCE COMMITTEE SUBSTITUTE FOR HOUSE BILLS 2 AND 3, as amended, enacted by the Fifty-Third Legislature, First Session, 2017, except the following part or parts, item or items, which I have vetoed pursuant to Article IV, Section 22 of the Constitution of the State of New Mexico:

On page 1, I have vetoed all of lines 8 through 12, and on page 2, I have vetoed all of lines 12 through 18, the "; and" on line 21 and all of line 22 through the word "measures", leaving the period. Definitions of performance measures are best governed by our Accountability in Government Act (AGA).

On page 3, I have vetoed line 25, and on page 4 I have vetoed all of lines 1 through 4. As governor, I have always been transparent and accountable with regard to reporting revenue trends, making the mandate for the Department of Finance and Administration (DFA) to regularly consult with the Legislative Finance Committee (LFC) staff unnecessary. Further, the Executive and Legislative branches must work together to revise the budget, if needed, to address a major revenue shortfall. The language I vetoed would have put the burden on the Executive to unilaterally develop a plan to discharge this joint responsibility.

On page 4, I have vetoed lines 18 through 21.

On page 4, I have vetoed lines 22 through 24.

On page 4, I have vetoed line 25 and on page 5, I have vetoed lines 1 and 2.

On page 5, I have vetoed lines 3 through 5.

On page 5, I have vetoed lines 6 through 8.

On page 5, I have vetoed lines 9 through 11.

On page 5, I have vetoed lines 12 through 15.

On page 5, I have vetoed line 16.

Throughout this legislative session, and others, I have heard a great deal of discussion about how the Legislative and Judicial branches are separate but co-equal branches of government. While true, it apparently does not apply when they are considering reductions to their budgets. Every time the Legislature imposes across-the-board reductions, the Legislature exempts both itself and the Judiciary from the same level of reductions that most of our agencies face. The Legislature has done it again; they have refused to bear their fair share of the burden, despite my recommendation to reduce legislative spending at a level that is similar to the reduction for the Executive agencies. Not only did they refuse to cut spending, the Legislature added \$120,000 additional funding to the budget for the LFC, putting that budget above its FY17 revised operating budget.

Further, its appropriations, as are those for the district courts, are done in a "lump sum" fashion while our Executive agencies are appropriated by specific categories. This certainly does not lend itself to ensuring "…accountability through the effective allocation of resources for all New Mexicans", to quote from the LFC's mission statement.

On page 33, I have vetoed lines 14, 21, 22 and 25 and on page 34, I have vetoed lines 1 through 5 and lines 22 and 23. With the exception of the appropriation for the National Center for State Courts at \$99,600 that should be included in the Administrative Office of the Courts budget, and the \$177,000 for regional housing authority oversight that should be included in the budget of the Mortgage Finance Authority, these appropriations represent subscriptions and dues in an amount of \$234,200 that are utilized by legislators and their staff. This additional funding should not be buried in the funding for the Department of Finance and Administration, but should be included in the funding for the Legislative Council Service to more accurately reflect the total budget for the Legislature.

On page 45, I have vetoed line 23 through page 46, line 1. Making this budget contingent on the submission of a plan would severely impede the ability of the Department of Information Technology to complete the SHARE upgrade and to address emergency equipment requests that may arise.

On page 68, I have vetoed lines 5 through 7, removing an earmark of \$75,000 from the General Fund for the Department of Cultural Affairs.

On page 85, line 2, I have vetoed the words "sufficient funds for", and on line 3, the words "in Santa Fe county".

On page 87, I have vetoed all of line 13, as this is not an approved AGA measure.

On page 92, I have vetoed all of lines 8 through 11. The Navajo Nation and Zuni Pueblo operate their own TANF programs for which they receive direct grants from the federal government. These grants include sufficient funding for administration of the programs.

On page 104, I have vetoed all of lines 12 through 15. As it did last year, the Miners' Hospital has agreed to work with the Medicaid program for the amount of funding it can put forth for the State's share of Medicaid payments.

Beginning on page 105, I have vetoed all of lines 20 through 22; on page 106, I have vetoed all of lines 7 and 8 and line 24; on page 107 I have vetoed all of lines 23 through 25; and on page 108, I have vetoed line 1. None of these are approved AGA measures.

On page 108, I have vetoed all of lines 16 through 18, as this is another earmark of funds to a specific provider of services.

On page 109, I have vetoed all of lines 15 through 17, as this is not an approved AGA measure.

On page 116, I have vetoed all of lines 3 through 5, as this would limit the Children, Youth and Families Department's ability to recruit providers for this service.

On page 130, line 13, I have vetoed the \$500,000 in the "other state funds" column.

On page 131, starting on line 9, I have vetoed the words "to be allocated to the university of New" and on line 10, the words "Mexico and New Mexico state university" and the word "turnaround". I have also vetoed lines 12 and 13. The Public Education Department needs this additional flexibility to meet the demands of these crucial education reform programs.

On page 131, I have vetoed lines 23 through 25 and on page 132, all of lines 1 and 2. The appropriations referenced are specifically for our education reform initiatives and should be utilized as targeted investments.

On page 133, line 4, starting with the word "In", I have vetoed the remainder of that line and all of lines 5 and 6, removing an unnecessary reporting requirement.

On page 134, I have vetoed all of lines 7 through 9. This fund resides within the Public Education Department and there are already earmarks for the use of \$674,500 by that

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agency. An additional earmark like this one may restrict tribal education initiatives going forward.

On page 134, line 21, I have vetoed the \$18,449,400 in the "other state funds" column and vetoed all of lines 22 through 25. House Bill 237, or similar legislation, has not reached my desk.

On page 135, I have vetoed all of lines 7 through 25.

On page 136, I have vetoed all of lines 1 through 16.

On page 136, I have vetoed all of lines 17 through 25 and on page 137 I have vetoed lines 1 through 7.

On page 137, I have vetoed lines 8 through 23.

On page 137, I have vetoed lines 24 and 25, and on page 138 I have vetoed lines 1 through 14

On page 138, I have vetoed lines 15 through 25 and on page 139 I have vetoed lines 1 through 23.

On page 139, I have vetoed lines 24 and 25 and on page 140 I have vetoed lines 1 through 15.

On page 140, I have vetoed lines 16 through 25 and on page 141 I have vetoed all of lines 1 through 25.

On page 142 I have vetoed line 1.

On page 142, I have vetoed lines 2 through 20.

On page 142, I have vetoed lines 21 through 25 and on page 143 I have vetoed lines 1 through 11.

On page 143, I have vetoed lines 12 through 25 and on page 144 I have vetoed lines 1 and 2.

On page 144 I have vetoed lines 3 through 18.

On page 144 I have vetoed lines 19 through 25 and on page 145 I have vetoed lines 1 through 9.

On page 145, I have vetoed lines 10 and 11.

On page 145, I have vetoed lines 12 and 13.

On page 145, I have vetoed liens 14 and 15.

On page 145, I have vetoed lines 16 through 25 and on page 146 I have vetoed lines 1 through 24.

On page 146, I have vetoed line 25 and on page 147 I have vetoed lines 1 through 16.

On page 147, I have vetoed lines 17 through 24.

On page 147, I have vetoed line 25 and on page 148 I have vetoed lines 1 through 16.

On page 148, I have vetoed lines 17 through 25.

On page 149, I have vetoed lines 1 through 19.

On page 149, I have vetoed lines 20 through 25 and on page 150 I have vetoed lines 1 through 10.

On page 150 I have vetoed lines 11 through 25 and on page 151 I have vetoed line 1.

On page 151, I have vetoed lines 2 through 16.

On page 151 I have vetoed lines 17 through 25 and on page 152 I have vetoed lines 1 through 8.

On page 152, I have vetoed lines 9 and 10.

On page 152, I have vetoed lines 11 through 15.

On page 152, I have vetoed lines 16 and 17.

On page 152, I have vetoed lines 18 and 19.

On page 152, I have vetoed lines 20 through 25.

On page 153, I have vetoed lines 1 through 6.

On page 153, I have vetoed lines 7 through 23.

On page 153, I have vetoed lines 24 and 25 and on page 154, I have vetoed lines 1 through 5.

On page 154, I have vetoed lines 6 through 22.

On page 154, I have vetoed lines 23 through 25 and on page 155 I have vetoed lines 1 through 6.

On page 155, I have vetoed lines 7 through 23.

On page 155, I have vetoed lines 24 and 25 and on page 156 I have vetoed lines 1 and 2.

On page 156, I have vetoed lines 3 through 20.

On page 156, I have vetoed lines 21 through 25 and on page 157, I have vetoed line 1.

On page 157, I have vetoed lines 2 through 19.

On page 157, I have vetoed lines 20 through 23.

On page 157, I have vetoed lines 24 and 25 and on page 158, I have vetoed lines 1 through 16.

On page 158, I have vetoed lines 17 through 24.

On page 158, I have vetoed lines 25 and on page 159 I have vetoed lines 1 through 16.

On page 159, I have vetoed lines 17 through 21.

On page 159, I have vetoed lines 22 through 25 and on page 160 I have vetoed lines 1 through 13.

On page 160, I have vetoed lines 14 through 17.

On page 160, I have vetoed lines 18 through 25 and on page 161, I have vetoed lines 1 through 9.

On page 161, I have vetoed lines 10 through 24.

On page 161, I have vetoed all of line 25 and on page 162 I have vetoed lines 1 through 4.

On page 162, I have vetoed lines 5 through 21.

On page 162, I have vetoed lines 22 through 25.

On page 163, I have vetoed line 1.

The Senate refused to hold a hearing for nominated Regents for several higher education institutions. This is a clear violation of its constitutional duty. When the Senate appropriated three quarters of a billion dollars to these institutions, it also took the unprecedented step of refusing to hold a hearing for those responsible for the oversight of the appropriated public dollars. Both the funding for our higher education institutions and the confirmation of well-qualified regents can be addressed in the upcoming special session.

On page 164, I have vetoed all of line 25, and on page 165, I have vetoed lines 1 through 11.

On page 166, line 3, I have vetoed the words "state-chartered charter school" and I have vetoed all of lines 5 through 11. This is unnecessary and restrictive language. In addition, on page 166, line 17, I have vetoed the words "school district" and I have vetoed all of lines 19 through 24. Again, this is unnecessary and restrictive language.

On page 168, line 12, I have vetoed beginning with the word "for" through the end of the line, all of line 13, and on line 14, the words "urban and rural public schools". This is another unnecessary earmark.

On page 169, I have vetoed all of lines 3 through 5. In times of tight budgets, cash balances should be going toward our reserves and \$150,000 for an inventory is simply not necessary.

On page 169, I have vetoed lines 6 through 8.

On page 170, I have vetoed lines 19 through 23. The Renewable Energy Transmission Authority was supposed to be self-sufficient several years ago.

On page 170, I have vetoed all of lines 24 and 25 and on page 171, all of lines 1 through 4. I have always been a strong proponent of New Mexico's military base operations. As Chair of the State Board of Finance, I will make sure that if a military base realignment and closure commission is formed, we make preserving and enhancing our operations a priority.

On page 171, line 7, I have vetoed, beginning with the second instance of the word "for" through the end of that line, and on line 8, beginning with "2018" through the word "areas". The Job Training Incentive Program needs funding for this and next fiscal year.

On page 171, beginning on line 14 with the word "The", I have vetoed the remainder of that line and all of lines 15 through 18. A protective buffer zone for Cannon Air Force Base can be done through a reauthorization of \$755,622 in Senate Bill 362.

On page 173, I have vetoed all of lines 8 through 15. With the veto of House Bill 202, this language is unnecessary.

On page 174, I have vetoed all of lines 23 through 25. With the enactment of House Bill 9, this appropriation is not necessary.

On page 175, line 18, starting with the word "The", I have vetoed the remainder of line 18 and all of lines 19 and 20, thus eliminating unnecessary reporting requirements.

On page 176, I have vetoed all of lines 15 through 18. Appropriations should not be made based upon settlements that have not been finalized.

On page 177, I have vetoed all of lines 11 through 13. This appropriation is not needed, as DFA has identified \$2.2 million in potential lease savings if these courts seek to pay a lower cost per square footage more in line with comparables in various communities.

On page 184, line 12, I have vetoed beginning with the word "and" through the remainder of the line, and on line 13, the words "one million dollars (\$1,000,000) from miners' hospital of New Mexico". This presents a situation where the State would be mixing use of the Miners' Hospital operating funds with other state funds and is in violation of the federal allocation and trust purpose of the Miners' Trust Fund.

On page 193, I have vetoed on line 10, beginning with the word "may" through the remainder of the line, all of line 11, and through the word "shortfalls," on line 12. The Department of Health will use program transfer language noted on page 186.

On page 195, I have vetoed all of lines 20 through 25, and on page 196 I have vetoed all of lines 1 through 6, thereby eliminating Section 10 of this bill. Section 10 was contingent on enactment of Senate Finance Committee Substitute for Senate Bill 528, or similar legislation. Senate Bill 528 was a "dummy bill" whose content was never revealed, nor was the bill voted out of committee.

Respectfully yours,

Susana Martinez Governor

## RECEIVED FROM THE OFFICE OF THE GOVERNOR

Time:	a.m. p.m.	
Date:	, 2017 E	By
		Secretary of State
Time:	a.m. p.m.	
Date:	, 2017	By
		Chief Clerk of the House