

April 7, 2017

HOUSE EXECUTIVE MESSAGE NO. 61

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:

Pursuant to the Constitution of the State of New Mexico, Article IV, Section 22, I hereby VETO and return HOUSE TAXATION AND REVENUE COMMITTEE SUBSTITUTE FOR HOUSE BILL 202, as amended, with certificate of correction, enacted by the Fifty-Third Legislature, First Session, 2017.

House Bill 202 was purported to be an attempt at comprehensive tax reform, but is another failure to accomplish it. From the beginning, I have said that I will not raise taxes, yet the Legislature continues to try to force tax increases on New Mexican families and small businesses. I have also said many times that I will consider truly comprehensive tax reform, reform that results in a simpler, more stable, and more predictable tax code. House Bill 202 does not do this.

This legislation was sent to my desk to accompany the budget, the budget that left a deficit of about \$156 million dollars. That revenue was expected to be raised through this bill, by raising the Gasoline Tax by ten cents per gallon; unduly placing the burden of resolving our budget crisis squarely on the backs of our families. It also raises and makes more regressive the Motor Vehicle Excise Tax, the Special Fuels Tax, and creates two new high-dollar fees, among other attempts to raise revenue. This bill would hit low-income and middle-class New Mexican families the hardest.

I encourage bipartisan collaboration on a tax reform bill during the upcoming Special Session.

For these reasons, I veto House Bill 202.

HOUSE EXECUTIVE MESSAGE NO. 61

The Honorable Brian Egolf, Jr.

April 7, 2017

Page 2

Respectfully yours,

Susana Martinez  
Governor

RECEIVED FROM THE OFFICE OF THE GOVERNOR

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

Date: \_\_\_\_\_, 2017

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

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

Date: \_\_\_\_\_, 2017

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