

JANUARY 31, 2017

SENATE EXECUTIVE MESSAGE NO. 4

The Honorable Mary Kay Papen, President Pro Tempore and
Members of the New Mexico State Senate
State Capitol Building
Santa Fe, New Mexico 87501

Honorable President Pro Tempore Papen and Members of the Senate:

I have this day SIGNED SENATE BILL 113, as amended, without the emergency clause, 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 16 through 21.

On page 2, I have vetoed all of lines 10 through 20.

On page 3, I have vetoed all of line 3 through page 6, line 7.

On page 6, I have vetoed all of lines 14 and 15 and lines 19 through 24.

On page 9, I have vetoed all of lines 3 and 4.

The language as provided in Section 1 of Senate Bill 113 cuts funds from our Local Economic Development Act program. This program is essential to helping local businesses expand and to recruiting new businesses to our state—companies like Facebook and Safelite. It is directly tied to job creation and diversifying our economy. Sweeping these funds directly hinders job creation and economic growth. For every one dollar of LEDA funds, private investments exceed sixteen dollars. Without this veto, the state will lose the means to generate over \$64 million in private investment.

Our targeted education reforms are working, and we are seeing results for our children. That is why I vetoed drastic cuts to these reforms in the specials session. Nevertheless, I understand that everyone has to sustain cuts as part of solvency. That is why, after the special session, we voluntarily reduced expenditures for targeted education reforms by

SENATE EXECUTIVE MESSAGE NO. 4

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January 31, 2017

Page 2

4.5 million. The legislature again proposed more than \$20 million in cuts to targeted reforms that serve over 150,000 students, funds entirely over 800 school positions, and partially funds nearly 5,000 school employees, but we have reached a compromise that minimizes adverse impacts and maintains programs that help struggling students. It is imperative that we continue to fund these effective programs moving forward.

The language as provided in Section 3 of Senate Bill 113 further places the burden of solvency on the executive, instead of the legislature making those difficult decisions. If further budget adjustments are required, the legislature should perform that function.

The language as provided in Section 5 of Senate Bill 113 transfers and reverts various state funds to the General Fund, many of which could result in cessation of programs, settlements, and projects. Instead of proposing a reduction in this year's capital outlay funds, or pulling from the Legislative Retirement Fund, Democrat lawmakers chose to sweep funds without considering the ramifications. For example, the Enhanced-911 fund does not have a current available balance large enough to cover the proposed sweep, therefore jeopardizing public safety, and the proposed sweep from the Natural Resources Trustee Fund would result in a potential violation of federal regulations, an inability to pursue new settlements, and increased future costs to the state. Finally, sweeping the funds in the State Infrastructure Bank would violate federal law and result in a loss of millions of federal dollars.

For these reasons, I have vetoed these parts of SB113.

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 Senate