



State of New Mexico

Office of the Governor

Bill Richardson
Governor

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Governor Richardson Highlights Action Plan for Gas Price Relief

(Santa Fe, NM) -- Governor Bill Richardson today discussed his plan to give New Mexico working families much needed relief from high gas prices.

The Governor spoke at St. Vincent's Hospital in Santa Fe with Cindy Gonzales and John Salazar, working New Mexico parents who stand to benefit under his proposed gas tax rebate. Ms. Gonzales is a pediatrics nurse at St. Vincent's and a mother of three who lives in Angel Fire. She stands to receive a \$105 rebate under the Governor's plan. Mr. Salazar, father of two, was recently forced to move his family closer to his job in Santa Fe due to high fuel costs.

"High gas prices are more than simply numbers," said Governor Richardson. "They are a financial challenge to all of us, especially our working families whose budgets are already strained."

The Governor will push during next week's special legislative session for the state to put \$75 million toward gas tax refunds for every New Mexico taxpayer. This funding will provide significant, immediate relief to New Mexicans, particularly those who need it the most.

"If you add it up, the increase in gasoline costs in the past few months is equivalent to losing a dollar an hour in wages for the average person who drives about twenty miles to work every day," said Governor Richardson. "It's more for those who commute longer distances. That's why we must pass my tax relief package during next week's special session."

Under Governor Richardson's relief plan, rebate amounts would be based on family size and income level, and rebate checks would be issued automatically to every New Mexican who filed a tax return.

For example, a low income family of four would qualify for \$175 and larger families could qualify for \$200. This package is the equivalent of giving more than six months of state gas taxes back to taxpayers.

This plan offers several advantages over simply waiving the gas tax. Suspending the gas tax creates financial problems, potentially undermining bonds for transportation projects. Waiving the gas tax also offers no guarantee that tax relief would be passed on to New Mexico consumers.

“The last thing I want to do is pad the already astronomical profits oil companies are enjoying right now,” said Governor Richardson. “These rich profits are the reason I am asking the oil and gas industry to do their part and pitch in \$50-million dollars to help consumers cope with high energy prices this winter.”

The Governor will also ask for legislative support for a \$20 million home-heating relief package during next week’s special session. The proposed \$100 million package would be augmented by the requested donations from the oil and gas industry.

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