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SECRETARY OF STATE

## State of New Mexico

Michelle Lujan Grisham  
*Governor*

April 4, 2019

### SENATE EXECUTIVE MESSAGE NO. 43

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

Honorable President Pro Tempore Papen and Members of the Senate:

Pursuant to my authority under Article IV, Section 22 of the New Mexico Constitution, I have vetoed SENATE BILL 364, as amended ("SB 364"), enacted by the Fifty-Fourth Legislature, First Session, 2019.

I support many of the provisions of SB 364, which modernizes and clarifies parts of the Insurance Code. However, I am uncomfortable with the provisions in this bill which potentially loosen due process rights for parties in adjudicatory proceedings before the Office of the Superintendent of Insurance ("OSI"). I am troubled by Section 2 of the bill, which eliminates the requirement that OSI conduct administrative hearings in compliance with the Administrative Procedures Act ("APA") and instead permits OSI to promulgate its own hearing rules. I also remain unconvinced of the wisdom of Section 1 of the bill, which would extend to 180 days the amount of time within which OSI must conduct a hearing.

I am mindful of concerns that the APA may be in need of an update, but if that is the case then the Legislature should re-examine and fix the APA rather than making piecemeal exemptions from it. Accordingly, I have vetoed SB 364.

Respectfully yours,

  
Michelle Lujan Grisham  
Governor

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Time: 11:50 a.m. p.m.  
Date: 4-5-19 2019 By [Signature]  
Secretary of State

Time: 7:49 a.m. p.m.  
Date: 4-5-19 2019 By [Signature]  
for Chief Clerk of the Senate