

Michelle Lujan Grisham Governor

March 5, 2024

## SENATE EXECUTIVE MESSAGE NO. 69

The Honorable Mimi Stewart, President Pro Tempore and Members of the New Mexico State Senate State Capitol Building Santa Fe, New Mexico 87501

President Pro Tempore Stewart and Members of the Senate: .

Pursuant to my authority under Article IV, Section 22 of the New Mexico Constitution, I have signed SENATE FINANCE COMMITTEE SUBSTITUTE FOR SENATE BILL 148, with certificate of correction, enacted by the Fifty-Sixth Legislature, Second Session, 2024, which phases out certain administrative costs and fees that are withheld by the Taxation and Revenue Department for the administration of local government revenues. I note that localities are currently enjoying significant revenues, with New Mexicans eager to support their communities by spending locally. These local governments benefit significantly from the Taxation and Revenue Department's centralized role in collecting and administering local revenues. However, it seems these localities do not wish to share in the costs of this administration, despite reaping record, or near-record, revenues.

While I firmly believe local governments can afford to assist—and *should* assist—with the costs of administering local revenues that directly benefit them, I recognize this legislation had overwhelming support in the Legislature. Accordingly, I will sign it. But I will be reducing my share of annual capital outlay funds ordinarily dedicated to local governments by an amount approximating the localities' new windfall and dedicating those funds to other vital issues affecting our State.

Respectfully yours,

Michelle Lujan Gricham

Governor

## RECEIVED FROM THE OFFICE OF THE GOVERNOR

Time: 2:59 a.m.(p.m.) Date: MARCH 5, 2024	By ( Ma lle
Time: 1.40 a.m. p.m. Date: 3-5 - 2024	By June

By Chief Clerk of the Senate