

April 6, 2007

SENATE EXECUTIVE MESSAGE NO. 89

The Honorable Ben D. Altamirano
President Pro Tempore
New Mexico Senate
State Capitol Bldg.
Santa Fe, NM 87501

Dear President Pro Tempore Altamirano and Members of the Senate:

In January, I submitted to the Legislature a budget proposal that included funding to address critical capital outlay needs in New Mexico Schools. My plan focused on a well thought out and strategic approach to providing clean and modern classrooms. My proposals also recognized the need to move more quickly in assuring that public schools, including charter schools, meet the state adequacy standards.

Thus, after carefully reviewing all options, I have this day signed SENATE FINANCE COMMITTEE SUBSTITUTE FOR SENATE BILL 395, as amended, which was enacted during the Forty-Eighth Legislature, First Session, 2007, and except for the following item or items, part or parts, which I hereby veto pursuant to the authority granted to me in Article IV, Section 22 of the Constitution of New Mexico:

On page 34, line 21 through page 42, line 6, I have vetoed all of sections 7 through 10.

On page 66, I have vetoed all of lines 1 through 4.

I understand and concur with the Legislature's reasons for passing SENATE BILL 395, in order to:

- (1) exempt certain construction projects from state oversight in areas such as minor repair projects that have little or no impact on the facilities assessment database;
- (2) change criteria used for determining offset amounts;
- (3) provide for the consideration of space utilization in determining grant awards;
- (4) provide for additional grants to specific school districts;
- (5) increase grants to schools for lease payments;
- (6) allow for the purchase of certain facilities using state grants;
- (7) extend the time for deficiency corrections funds to be expended;

- (8) increase the SB 9 state match and authorize the use of SB 9 monies for project management which includes personnel salaries, and increase the tax imposition period;
- (9) provide for school districts to enter into lease-purchase agreements and provide for these agreements to be funded by state grants and tax revenues;
- (10) provide for the direct distribution of property tax proceeds to charter schools; and
- (11) expand the Public School Capital Outlay Oversight Task force membership from 24 to 26.

While I acknowledge the importance of addressing unique facility and financing issues in selected school districts, the funding sources and selection processes for the proposed Opportunity Fund presented in SENATE BILL 395 need further study. A more thorough analysis of appropriate revenue sources, an overall budget impact analysis and additional research on funding above adequacy standards is needed before implementing an opportunity fund.

In meeting critical capital outlay needs in New Mexico, my priority is to maximize funding available for the standards-based awards program of the Public School Capital Outlay Council (PSCOC). This process has worked well to date; but, the PSCOC is in the process of considering modifications to the Adequacy Standards. Before establishing an opportunity fund, I would like to examine the impact of possible changes to the Adequacy Standards.

Respectfully yours,

Bill Richardson

Bill Richardson
Governor

RECEIVED FROM THE OFFICE OF THE GOVERNOR:

Time: _____ a.m./p.m. by:
Date: 2007

Chief Clerk of the Senate

Time: _____ a.m./p.m. by:
Date: _____ 2007

Secretary of State