

H 117 CERTIFIED MOTOR VEHICLE LIABILITY POLICY

April 5, 2001

HOUSE EXECUTIVE MESSAGE NO. 63

I have this day VETOED and am returning HOUSE BILL 117, as amended, enacted by the Forty-Fifth Legislature, First Session, 2001.

This bill amends the Mandatory Financial Responsibility Act (MFRA) to mandate coverage for anyone an insured driver allows to drive his or her insured vehicle. The legislation would harm competition in the auto insurance industry, make insurance more expensive for New Mexico's consumers, and unfairly interfere with citizens' right to restrict the use of their automobiles by other people.

H 118 NO ADDITIONAL FEE FOR FIRST-TIME INSURED

April 5, 2001

HOUSE EXECUTIVE MESSAGE NO. 64

I have this day VETOED and am returning HOUSE BILL 118, as amended, enacted by the Forty-Fifth Legislature, First Session, 2001.

This legislation would prohibit an insurer from charging a higher rate or an additional assessment, surcharge or fee because the insured is a first-time purchaser of automobile insurance or because an individual has not been insured for a period of time immediately prior to the purchase of automobile insurance. I have vetoed this bill in the past, and do so again, because it would prohibit insurers from using an individual's driving record or prior history of auto insurance as an underwriting or rate factor. The statistics show that persons in these categories have a higher frequency of accidents and a greater loss rate. The result of enactment of this legislation would be to have those loss rates spread to all insured thereby increasing auto insurance rates for all New Mexicans.