



Michelle Lujan Grisham • Governor
Alicia J. Keyes • Cabinet Secretary

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Gov. Lujan Grisham: Lost Decade of Job Growth is Over

Santa Fe, N.M. – Gov. Michelle Lujan Grisham and the state’s top economic development official said significant measures have advanced in the Legislature that will grow New Mexico’s economy and put an end to a lost decade of job growth.

As the 2019 session enters its final hours, lawmakers from both political parties have approved Gov. Lujan Grisham-backed priorities that will add jobs in the film and media industries and boost employment in outdoor recreation, agriculture, clean energy, and manufacturing. The Legislature also agreed to the governor’s requests to spend money for vocational and workforce training and to enhance direct loans and grants for business expansions.

Taken together, the measures moving forward today should help awaken New Mexico’s economy from its decades-long slumber.

New Mexico’s 10-year employment growth from Jan. 2009 to Jan. 2019 was in the bottom 5 nationally at 2.55%, tied with Louisiana, and ahead of only Wyoming (-2.16%), Connecticut (1.72%), West Virginia (1.76%), and Alaska (2.35%), according to the state Department of Workforce Solutions.

When Gov. Lujan Grisham ran for governor, she identified eight key economic sectors to capitalize on the state’s strength, including film and television, outdoor recreation, cybersecurity, biosciences and sustainable agriculture. The initiatives moving forward are a down payment on her promises.

“New Mexico’s lost decade of job growth has come to an end,” Gov. Lujan Grisham said. “When I traveled the state over the last two years during my campaign, I heard from folks all across the state who said, very simply, they want to see their communities thrive. They want a chance. Our investments made this session and this year can be game-changers in helping move New Mexico toward a more diversified economy.”

Cabinet Secretary Alicia J. Keyes of the New Mexico Economic Development Department said the improved initiatives in film and outdoor recreation would create hundreds of jobs in all corners of the state. The changes approved by lawmakers in the film and media program include incentives to increase production in rural areas and for partner studios that are based in New Mexico and can nurture an ecosystem of year-round employment.

The changes make New Mexico’s incentives the most appealing in the United States for companies that want to hire local talent and crewmembers, Keyes said.

“We see good things coming from what we were able to accomplish this session,” said Keyes, a former film executive. “This is an industry that brings money into our state.”

Gov. Lujan Grisham and Keyes praised the Legislature for passing:

- SB2, which more than doubles the annual payment cap to \$110 million and exempts New Mexico-based production companies that offer a 10-year commitment to do business in the state and hire year-round employees. SB2 also authorizes payment of some \$200 million in back IOUs for film production completed in New Mexico over the past several years. This action lifts the uncertainty of the film credit program, and offers stability to future productions.
- SB462, an initiative to focus attention and resources on the outdoor and recreation sectors with money earmarked for a New Mexico Outdoor Recreation Division, which will help expand businesses and employment in areas such as hunting, fishing, skiing, guiding, birding, boating, rock climbing, hiking and biking.
- SB576 would permit school boards to expand vocational training and education centers with the goal of reenergizing students who are disenchanted with traditional schooling, one of several bills to jump start career training and apprenticeship programs in the Public Education Department.
- HB7 will provide initial funding to promote Centers of Excellence in four key academic specializations: cybersecurity at the New Mexico Institute of Mining and Technology in Socorro; sustainable agriculture at New Mexico State University in Las Cruces; renewable energy at San Juan College in Farmington; and biosciences at the UNM Health Sciences Center.

Gov. Lujan Grisham also lauded passage of SB489 The Energy Transition Act, a bold and hard-fought piece of legislation that sets the state on a path of renewable energy by mandating new power generation standards for utilities and electric cooperatives. It also includes severance and job training dollars to assist communities affected by abandoned coal production sites.

“New Mexico is on the verge of an energy transformation, making a promise to future generations and boldly charting a course to a carbon-free future,” Gov. Lujan Grisham said.

Lawmakers also tentatively approved a priority of Lujan Grisham’s to replenish the state’s premier grant program that helps businesses expand in New Mexico. Under the FY2020 budget, \$60 million will be allocated to the Local Economic Development Act (LEDA), which is used to close agreements and leverage private investment dollars. The budget means LEDA, which helped in the creation of 10,900 jobs since 2014, reaches its highest level of funding ever.

The fund is used to help businesses purchase land and make the capital investments needed for expansion. “The money is poised to make a real difference for New Mexico businesses that want to grow and expand,” Keyes said.

Also signed into law was SB10, which will send an additional \$50 million a year from the Severance Tax Permanent Fund to the Small Business Investment Corp., a loan program designed to grow jobs. The bill doubles the funding available to small-business owners.

Lujan Grisham also touted measures to promote the hemp agricultural industry and for a \$100,000 appropriation to New Mexico State University to study further uses of hemp, a plant that can be used for paper, clothing, medicine and even fuel.

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