

NEW MEXICO

ECONOMIC DEVELOPMENT

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Gov. Michelle Lujan Grisham
Cabinet Secretary Alicia J. Keyes
Deputy Secretary Jon Clark

Aug. 14, 2019

Economic Development Sets Focus on Rural Communities

Citing the unique challenges of bringing jobs to rural communities, the New Mexico Economic Development Department will ask for a special appropriation from lawmakers to address economic needs in less-populated pockets of the state.

On Wednesday, Cabinet Secretary Alicia J. Keyes told lawmakers on the Economic and Rural Development Committee that officials from rural communities around the state are asking for more investment that can potentially spur new business growth. But the cash-strapped areas are challenged to develop water, sewer, and transportation corridors as quickly as urban centers.

“We want to see businesses grow and develop in all corners of the state, and investing in these areas can help these communities grow and keep jobs closer to home,” said Keyes.

“Rural New Mexico faces a great challenge because the state is so geographically expansive with a large number of rural areas facing severe economic and fiscal limitations,” added Deputy Cabinet Secretary Jon Clark.

The state has a \$75 million closing fund, known as the Local Economic Development Act (LEDA), that offers infrastructure grants for business expansion projects ready to move forward with a commitment for a specific number of new jobs as well as investment dollars.

However, the new Rural Infrastructure Fund could fund early stage projects like industrial parks, rail spurs, roads, and water needs that could get a community shovel ready for businesses to consider in site selection.

The one-time special appropriation would provide millions of dollars to move the state’s rural infrastructure forward, and would exist within the LEDA statute, but have different parameters and more flexibility so funds can be used in rural areas for a greater variety of projects.

The appropriation to the Rural Infrastructure Fund will depend on upcoming general revenue estimates and the legislative priorities of Gov. Michelle Lujan Grisham.

The 2020 Legislature convenes on January 21.

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