



Office of the Governor

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Gov. Lujan Grisham signs LEDA expansion
GRT sharing will help recruit more large job-creating companies to New Mexico

SANTA FE — Gov. Michelle Lujan Grisham on Wednesday signed Senate Bill 1 from last month's special session, an economic development measure that gives New Mexico an important tool to work with local governments and recruit large job-creating companies to the state.

The measure passed the Senate 28-10 and the House 59-8. Sponsors included lawmakers from both parties – Rep. Christine Chandler, Rep. Jason Harper, Sen. Ron Griggs and Sen. Siah Correa Hemphill.

“We have to embrace and fight for every opportunity for New Mexico,” said Gov. Lujan Grisham. “This new initiative will give us another important tool to create higher-paying jobs and diversify the economy.”

Economic Development Secretary Alicia J. Keyes said the agency is fielding more inquiries from large companies that want to locate operations in New Mexico – and there is increased competition from neighboring states that want those jobs.

“I thank Gov. Lujan Grisham and lawmakers for understanding the importance of enacting this legislation,” said Secretary Keyes. “We are seeing more opportunities and New Mexico now has additional resources to land these large companies with jobs that will have a lasting economic impact.”

“I was proud to co-sponsor this bipartisan piece of legislation that passed with broad support in both chambers,” said Sen. Siah Correa Hemphill. “This powerful financial incentive sends a clear message that New Mexico welcomes large companies to invest in setting up shop here, and bring with them thousands of new job opportunities at a time when New Mexicans need them most. Competition to land these big fish can be fierce

but without this tool we wouldn't even be in the game, so I'd like to thank Governor Lujan Grisham for signing this measure today.”

The law allows 50 percent of state and local gross receipts tax and compensating revenue from the construction phase of projects (more than \$350 million) to be placed into the Local Economic Development Act fund to assist that business with land, building and infrastructure costs, as permitted by LEDA.

All local governments affected must agree to the revenue sharing and the money would be paid out in phases as the business reaches its job and economic development benchmarks, which would be established in a project agreement overseen by a local government and EDD.

The bill has an emergency clause and is effective immediately.

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