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January 14, 2022

# Gov. Lujan Grisham announces agenda for 2022 session

Priorities for budget surplus include teacher raises, tax cuts, public safety, voting rights protections and more

SANTA FE — Gov. Michelle Lujan Grisham on Friday announced her legislative priorities for the 2022 regular session of the New Mexico Legislature, centered on investing in policies and programs that will benefit students, workers, families, businesses and communities large and small across the state. Highlights of the agenda include raises for educators, tax cuts for New Mexico businesses, legislative proposals targeted at violent crime, and initiatives to support New Mexico businesses and diversify the state's economy.

Accompanying the <u>Executive Budget Recommendation for Fiscal Year 23</u>, the governor's investment and policy plan for the 2022 legislative session encompasses a diverse array of issue areas and policies all aimed at improving the well-being and opportunity of New Mexicans.

"This is a critical opportunity to strategically and responsibly invest in transformative programs that support New Mexicans in building stronger, brighter futures," said **Gov. Lujan Grisham**. "This agenda supports a thriving New Mexico, one where we choose to proactively invest in families, communities, workers and businesses."

In her first three years in office, the governor has achieved every legislative priority set out when she took office in 2019, including an increase in the state's minimum wage; the establishment and funding of an Early Childhood Education and Care Department; legislative approval of a proposed constitutional amendment to further invest in early childhood education; expanding access to free higher education; the establishment of an aggressive carbon-free energy transition framework; the legalization of recreational cannabis; the growth of a thriving film and television industry; the establishment of a state office of outdoor recreation; expanding access to affordable high-quality health care and protecting provisions of the Affordable Care Act relied on by New Mexicans; capping insulin costs; eliminating copays for behavioral health services; providing humane end-of-life options to the terminally ill; the protection of access to reproductive health care; an expansion of common-sense gun safety laws; fixing the state's pension system; and more.

The governor's priorities for the legislative session, scheduled to begin Tuesday, January 18, include:

## **EDUCATION**

- **Providing raises for educators:** The governor <u>has proposed</u> and is advocating for 7 percent raises for all public school education personnel, as well as increases to base educator salary levels in the state's three-tier licensure system, raising minimum teacher salary levels to \$50,000, \$60,000, and \$70,000, representing an average 35% total increase in base salary levels since the Lujan Grisham administration came into office. These raises would follow a 6 percent raise for public school staff authorized by the Lujan Grisham administration and Legislature in 2019 and a 2 percent increase authorized in 2020.
- Making free college a reality: Through expansion of the Opportunity Scholarship created in 2020, the governor proposes to permanently remove financial barriers to higher education for New Mexico students, ensuring that New Mexicans are not forced to choose between financial security and furthering their education. The proposed \$85.5 million increase in the Opportunity Scholarship program will cover tuition costs for all New Mexico students of higher education, including non-traditional students and those seeking credit-bearing certificates. An estimated 22,000 additional New Mexicans will be able to achieve their educational goals because of this funding.

#### CRIME AND CRIMINAL JUSTICE REFORM

- Creating a fund to hire and train more public safety officers: Investing \$100 million in a new law enforcement recruitment fund with the goal of hiring and training 1,000 new police officers statewide in coming years will reduce the competition between local agencies for personnel and support new recruiting initiatives. Public safety agencies at the state, municipal and county level will be able to access the funding to support hiring and retention and will be required to train new hires supported by the fund in community policing and de-escalation techniques.
- **Keeping violent offenders off New Mexico streets:** <u>Imposing a "rebuttable presumption"</u> will help to ensure that those accused of murder, gun crimes, rape or other sex crimes do not pose a danger to the community before being released pending trial.
- Increasing penalties for violent offenders: Increasing penalties for second degree murder from 15 years to 18 years and removing the statute of limitations for that charge, in addition to increasing penalties for gun crimes, including increasing the penalty for unlawful possession of a handgun from misdemeanor to fourth degree felony; creating a crime of "criminal threat" as a fourth degree felony; adding penalty of third degree felony for fleeing law enforcement that results in injury and second degree felony for fleeing that results in great bodily harm; enhancing penalties for brandishing a firearm in the commission of a drug transaction.

## **ECONOMIC DEVELOPMENT**

- Cutting gross receipts taxes for all New Mexicans: The governor has proposed a statewide 0.25 percent reduction in the gross receipts tax rate, saving New Mexicans an estimated \$170 million annually. The statewide rate is currently 5.125 percent; the governor's proposal would reduce the statewide rate to 4.875 percent. This would be the first decrease of the state's gross receipts tax rate in 40 years. A gross receipts tax is levied on all persons engaged in business in New Mexico and is akin to a retail sales tax.
- support New Mexico businesses by increasing the business preference for in-state businesses in the state's procurement code from 5 percent to 8 percent. The legislation would also make tribal businesses eligible to receive in-state preference, which is not allowed under current law. The proposal will also further support state procurement preference for New Mexico veteran-owned businesses, removing a current sunset on 10% resident-veteran preference and removing the \$3 million revenue cap per veteran business.
- Establishing New Mexico as a national hydrogen hub: The Hydrogen Hub Act will implement state economic and tax incentives, create a clean hydrogen workforce, foster research and studies into potential applications of clean hydrogen and establish legal and technical pathways for carbon sequestration and storage that will make New Mexico a regional and national "hub" for clean hydrogen production, storage, use and export boosting the economy and moving the state's energy in a greener direction.
- **Establishing a state Media Academy:** In collaboration with the Higher Education Department and Economic Development Department, the governor proposes dedicating \$50 million in capital outlay to create a Media Academy that better serves New Mexico students in the transition from education to employment in the state's thriving film and media industry, providing training, internships and other resources.
- Expanding job training and economic development programs: To continue building on the state's positive economic momentum, sustained despite the pandemic, the governor proposes increasing resources to the Job Training Incentive Program (JTIP) and the Local Economic Development Act (LEDA). New Mexico's JTIP and LEDA initiatives have collectively brought \$5 billion in new capital investment to New Mexico with a projected economic impact of \$30 billion since the governor took office.

#### **ENVIRONMENT**

- Creating the Land of Enchantment Bond: The governor <a href="https://has.proposed">has proposed</a> a new conservation fund, to be seeded by a \$50 million general obligation bond that will be placed on the 2022 ballot and administered by the Energy, Minerals and Natural Resources Department, which will allow the state of New Mexico to acquire land and conservation easements; manage natural and cultural resources; and enhance equitable access to outdoor recreation. An effort to sustain and support New Mexico's pristine natural beauty and world-renowned outdoors, the Land of Enchantment Bond will supplement ongoing administrative conservation and preservation efforts, including Gov. Lujan Grisham's 30x30 executive order.
- **Reaching net-zero by 2050:** The Clean Future Act will establish the governor's ambitious climate goals in statute, ensuring the state continues its progress across

- administrations. The legislation also directs the Environment Department to implement further regulations to curb emissions across sectors.
- **Setting a clean fuel standard:** The Clean Fuel Standard Act will reduce the carbon footprint of New Mexico's transportation sector while contributing \$470 million in capital investments to New Mexico's economy and creating more than 1,600 permanent jobs and 4,100 construction jobs by 2030. By 2030, the Act will result in the cumulative reduction of transportation emissions by an estimated 18.5 million metric tons of CO2 equivalent the equivalent of taking over 570,000 gas powered cars off the road for one year.

### HEALTH, WELL-BEING AND QUALITY OF LIFE

- Improving the New Mexico Veterans Home: The state will seek to invest some \$60 million to build brand new living quarters and improve existing facilities, supporting the health and well-being of those that served our country. The current main facility in Truth or Consequences is over 80 years old.
- Significantly expanding ballot access and support for the right to vote: Amid a wave of anti-democratic sentiment nationwide, including the implementation of restrictive and discriminatory ballot access policies in certain other states, <a href="New Mexico will take action to protect and expand voting rights">New Mexico will take action to protect and expand voting rights</a>, including by expanding online voter registration, providing further protections for Native voters, and creating a permanent, voluntary absentee ballot request list.
- **Supporting rural health care delivery:** The governor will seek to create a Rural Hospital Services Fund, supporting hospitals in counties with fewer than 100,000 residents by providing matching funds to cover a percentage of operating losses in the first few years of a hospital's operation or to support expanded services at an existing hospital. This initiative would provide critical support for rural health care delivery in parts of the state too often underserved by available health care options.

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