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Governor Lujan Grisham Applauds Economic Security Measures

Initiatives Will Support Lasting Job Growth

SANTA FE, N.M. – Gov. Michelle Lujan Grisham and Economic Development Cabinet Secretary Alicia J. Keyes applaud key legislative initiatives that will grow the economy, create jobs, and provide for a new layer of economic security for New Mexico families and businesses.

The stimulus and relief measures are significant in reach, tackling all aspects of the pandemic-related economic emergency, including direct assistance to front-line workers, grants for small businesses, innovative licensing reforms, local purchasing initiatives, and long-term investments in early childhood education.

Gov. Lujan Grisham's executive budget recommendation included almost half a billion dollars for pandemic relief. The governor pledged to work with lawmakers on her priorities to ensure that funding reaches the greatest number of New Mexican families, workers, and businesses with the most need.

“I am collaborating closely with lawmakers to deliver on the promise of job growth and economic security,” Gov. Lujan Grisham said. “We need to continue to move forward together to deliver a long-term, sustainable economic recovery for New Mexico’s families and business owners.”

“The unprecedented measures considered by lawmakers and supported by the governor will bring lasting job growth to New Mexico and support families and businesses. Taken together, these initiatives will make New Mexico a better place to live, work, and run a profitable business,” Secretary Keyes said.

The following bill has been signed into law:

HB11 – LEDA Changes - The temporary measure delivers \$200 million in new grants from the state’s LEDA fund for rent, lease, or mortgage assistance to pandemic-impacted businesses, including restaurants and small retailers. The maximum grant is \$100,000 with businesses that saw the largest revenue decline prioritized first. Businesses receiving the funds are required to rehire or add new employees.

The grant will be administered by the New Mexico Finance Authority with job-reporting benchmarks and payments managed by the Economic Development Department; sponsored by Sen. George Munoz and Reps. Christine Chandler and Brian Egolf.

The following bills have passed the Legislature and will be signed by Gov. Lujan Grisham when they reach her desk:

SB1 – Restaurant Gross Receipts Tax Deduction - Provides immediate economic relief in the form of a personal income tax rebate of \$600 to families and individuals claiming the Working Families Tax Credit, a wage of about \$15 an hour (\$31,200 for single filers, \$39,000 for families), by authorizing \$105 million in state rebates from the personal income tax.

The bill also provides temporary relief to some eligible food and beverage establishments, including craft distilleries, mobile food service establishments, restaurants, and small breweries and wineries, from paying gross receipts tax for the period March 1 to June 30, 2021; sponsored by Sens. Peter Wirth, Jacob Candelaria, Siah Correa Hemphill, and Rep. Javier Martinez.

SB3 - The Small Business Recovery and Stimulus Act - Makes up to \$500 million available to extend the Small Business Recovery Loan Fund created by the Legislature last year. New provisions would expand eligibility and provide terms that are more attractive for borrowers; sponsored by Sen. Jacob Candelaria and Rep. Marian Matthews. Lawmakers have set aside \$402 million from the General Fund for SB1, SB2 and HB11.

The governor also supports the following measures to grow the economy and support economic security:

SB2 – Waive Liquor License Fee – Allows the Regulation and Licensing Department to waive licensing fees for businesses that saw a reduction in revenue of 50% or more in 2020. There are 3,800 active licenses in the state; sponsored by Sens. Elizabeth Stefanics, Jacob Candelaria, Brenda McKenna, Rep. Matthew McQueen.

SB53 – Procurement Changes - The legislation is part of the General Services Department’s “Buy New Mexico” Campaign, an initiative to increase state and local government contracting dollars to New Mexico businesses, particularly those owned by veterans, Hispanics, women, Tribal members, and African Americans.

The bill will keep more New Mexico taxpayer dollars in New Mexico, helping homegrown businesses recover, grow, and create jobs for New Mexicans. The measure also will promote purchases of sustainable goods, reducing the carbon footprint of state and local governments and cutting greenhouse gas emissions; sponsored by Sen. Bill O’Neill.

SB 66 – Permitted Percentage Changes for Loans - Caps the interest rate on loans up to \$10,000 at 36 percent, with some exceptions; sponsored by Sens. William Soules and Katy Duhigg.

SB135 - Opportunity Scholarship Act - Permanently establishes the New Mexico Opportunity Scholarship and creates a fund to make college education affordable for more New Mexicans; sponsored by Sen. Bill O'Neill and Rep. Joy Garratt.

SB11 – Clean Fuel Standard Act - Creates a Clean Fuels Standard in New Mexico that reduces the carbon intensity of transportation fuels and a secondary market for the sale of clean fuel credits. The initiative would make New Mexico a center for clean fuel technology innovation, create jobs in this sector, and stimulate investment in areas such as carbon capture, hydrogen and electric vehicles, and biofuels; sponsored by Sen. Mimi Stewart and Rep. Nathan Small.

HB255 – Alcohol Deliveries - Allows for new sections in laws taxing the sale of alcohol to provide tax relief for liquor license holders through Jan. 1, 2026, and creates a new alcohol beverage serving tax with limited licenses for some restaurants that serve food.

The cost of obtaining a dispenser license in conjunction with restaurant service has long been an obstacle for restaurants and has inhibited wage growth for tipped staff. This is particularly true in New Mexico's smaller towns.

The bill also amends the Liquor Control Act to provide for alcohol home delivery of 25 ounces of wine and 62 ounces of beer with food orders for retailers, craft distillers, restaurants, and wine growers. It also waives certain license renewal fees and provides tax deductions; sponsored by Reps. Antonio Maestas, Javier Martinez, Rod Montoya, and Joshua Hernandez.

Adult-Use Cannabis - Legalizes adult-use recreational cannabis to generate additional revenue for the state, diversify the economy, and boost small-business growth. Legislation will create 11,400 new jobs - 6,600 jobs in cannabis production and cannabis product manufacturing and 4,780 jobs in ancillary businesses including professional services, construction, cultivation supplies, and equipment for the production and consumption of cannabis.

HJR1 - Permanent Fund for Early Childhood - Puts a constitutional amendment on the ballot to earmark an additional small portion of the Land Grant Permanent Fund each year for essential early childhood care and education programs throughout New Mexico; sponsored by Reps. Moe Maestas, Javier Martinez, Georgene Louis, and Liz Thomson.

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Downtown Las Vegas, N.M.

The New Mexico Economic Development Department's mission is to improve the lives of New Mexico families by increasing economic opportunities and providing a place for businesses to thrive.

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