New Mexicans on losing end of MLG money grab

Santa Fe, NM- The deadline to sign legislation from the regular 60-day Legislative Session was on Friday, April 9, 2021. Governor Lujan Grisham dumped a flurry of vetoes Friday afternoon, including significant state budget slashes that swipe federal COVID relief funds duly allocated by the Legislature. The slashing of allocated federal relief funds is a move by the first-term Governor to attempt to retain sole control over the billions of COVID relief provided by Congress. New Mexico has greatly benefitted from some $9 billion in federal relief in 2020, and will receive another $1.6 billion in additional relief in early 2021. The Legislature allocated these funds from the federal government as part of the state's annual budget (House Bill 2), ensuring federal dollars would be used properly to maximize COVID relief and prevent an unnecessary special session to allocate these federal funds.

The Governor's veto pen axed $1.2 billion in federal dollars allocated to various government programs. Significantly, the Governor vetoed $600 million that would be used for the New Mexico Unemployment Insurance Trust Fund, which has been depleted by Lujan Grisham in her year-plus economic shutdown. The unemployment fund's resources are paid by local businesses, but the State of New Mexico was forced to borrow hundreds of millions of dollars from the federal government to maintain unemployment benefits when the fund went broke in September 2020.

"It is clear the Governor does not have faith in the members of this body or trust in the legislative process," said House Republican Leader Jim Townsend (Artesia). "For her and her staff, who have not only been paid throughout the Covid crisis but received massive pay raises, to veto over $1 billion dollars in relief to communities struggling through her economy is astounding. We were elected by our constituents to appropriate those funds because we are best equipped to know what our communities need. One has to wonder how much further she is going to push her out of control power grab before the Democrats decide to push back."

With New Mexico's unemployment rate the fourth highest in the country, preserving the viability of the unemployment trust fund and avoiding a major tax increase on state businesses has been a priority of both Republican and Democrat legislators for months, as there is the looming deadline to repay the federal government back for these borrowed funds. The state continues to remain under Lujan Grisham's restrictive economy and several businesses are already being notified that their unemployment insurance taxes are increasing, however the Workforce Solutions Department has notified legislators there is an appeal process. By providing these federal relief dollars to shore up the unemployment trust fund, the Legislature was taking bipartisan steps to ensure businesses would not see these tax increases.

The vetoes by the Governor were the following:

- Lujan Grisham vetoed $600 million to stabilize the Unemployment Insurance Trust Fund
- Lujan Grisham vetoed $5 million for reemployment services

- Lujan Grisham vetoed $100 million from LEDA funds that directly support community economic opportunities
- Lujan Grisham vetoed $100 million from the Lottery Scholarship
- Lujan Grisham vetoed $200 million from DOT major road projects
- Lujan Grisham vetoed $25 million from funds to assist housing assistance, small businesses, non-profits, and tourism and hospitality organizations impacted by COVID-19
- Lujan Grisham vetoed $20.5 million to state parks and the state fair (which both have been impacted during the Governor's shutdowns)
- Lujan Grisham vetoed $84.4 million in local projects across the state
- Lujan Grisham vetoed $10 million in tourism funds
- Lujan Grisham vetoed $50 million for Medicaid
- Lujan Grisham vetoed $20 million for early childhood education
- Lujan Grisham vetoed $5 million in senior citizen program funds

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