

OUR LENS GOING INTO THE SESSION: COMPETITIVENESS

- Economic Development
- Education
- Crime
- Healthcare Access/Workforce

"The Chamber's primary goal for the 2025 session is to encourage lawmakers to position our state to better compete for businesses, workers, residents, and visitors."

2025 SESSION - A "MIXED BAG"

ON ONE HAND:

passed several key priorities for the Chamber and stopped most of the worst bills for business

ON THE OTHER HAND:

was an anti-business session from the word "go" - did very little (in practice or perception) to show the outside world that we want to compete for businesses, residents, workers, and visitors

ECONOMIC DEVELOPMENT

- Tourism national/international marketing \$18M
- JTIP (hiring/job training incentives) and LEDA (closing fund) fully funded - LEDA \$70M
- New site readiness incentive legislation and funding (\$24M)
- Strategic water supply (convert brackish to fresh water) legislation +\$40M
- Trade ports ABQ, Santa Teresa, and Gallup
- State Fair TIDD

ECONOMIC DEVELOPMENT (continued)

- UNM Athletics \$3M in recurring funding + \$11M to plan/design a new football stadium
- Healthcare Workforce: Medicaid Trust Fund (\$100M), New UNM Medical School (\$30M), GRT exemption for patient-paid co-insurance
- Key Capital Projects: CNM Film School (\$10M), Balloon Fiesta Upgrades (\$3.8M), Housing Grants and Affordable Housing (\$87.5M),
 North Domingo Baca Aquatic Center (\$4M)
- Other: \$50M (quantum ventures and quantum R&D), \$6M (bioscience development fund), \$15M (entrepreneurship incubators)

^{****}Note: for the first time in many years, no bills were introduced to impose a moratorium on the opening of new charter schools or a cap on the number of students who can attend charter schools.

PUBLIC SAFETY AND BEHAVIORAL HEALTH

- Crime Package: shooting threats, auto theft, glock switches, enhanced drug trafficking penalties, criminal competency changes, and including DWI blood tests (including illicit drugs)
- Other Crime: expanding the crimes covered by NM's racketeering statute, felony penalties for swatting, and stacking embezzlement charges to allow for more felony convictions

PUBLIC SAFETY AND BEHAVIORAL HEALTH (continued)

- Behavioral health system overhaul, including the creation of a new behavioral health trust fund (\$280M) and a new regional system of prioritizing future needs
- Other: Over \$50M for law enforcement and first responder recruitment.

EDUCATION

- Cell phones in schools requiring district plans, encouraging nonallowance of phones at schools
- Enhanced standards for principal preparation programs (and changes to administrative licensure)
- Science of Reading: Requiring all educator preparation programs to improve how they teach aspiring teachers to teach reading

SIGNATURE SUCCESSES (STOPPED)

TOP TEN LIST

- 1. Paid Family Medical Leave Act
- 2. Re-establishment of a State School Board
- 3. All Proposed Tax Increases
- 4. \$17 Minimum Wage
- 5. Creation of a Public Bank



SIGNATURE SUCCESSES (STOPPED)

TOP TEN LIST (continued)

- 6. Lifting the Statewide Ban on Rent Control
- 7. New Burdens on the Oil and Gas Industry and Onerous Environmental Regulations (setbacks, zero emissions, gas flaring restrictions and penalties, the "Green Amendment")
- 8. New Fees, Taxes, and Fines on the Oil and Gas Industry
- 9. "Medicaid Forward" and Mandatory Nurse Staffing Ratios in Hospitals
- 10. Restrictions on University Executive Hiring

HEALTHCARE WORKFORCE SHORTAGE:

Relative inaction on the healthcare workforce shortage issue, including ignoring medical malpractice reform, refusing to join healthcare worker interstate compacts, not increasing funding for the physician loan repayment program, and not passing tax credits for rural health providers or a GRT exemption on healthcare provider services.



KEY CRIME BILLS:

No legislation was passed to deal with out-of-control juvenile crime, felon in possession of a firearm, creating the crime of home invasion, making the exposure of children to controlled substances a form of child abuse, and reforming the state's pre-trial jail release practices.



READING AND MATH:

Legislation requiring individual reading plans and improved parent communication for struggling readers passed the Senate, but was stopped in the House. Other legislation requiring the swift publication of student test data also failed.



TAX LIGHTNING ON MULTI-FAMILY HOUSING PROJECTS:

A bill to avoid tax lightning on commercial-sized residential housing projects was defeated (could cause rents to go higher and discourage multi-family housing construction).



NO INCOME TAX:

A House bill to eliminate the personal income tax failed in its first committee.



HARMFUL, ANTI-COMPETITIVE LEGISLATION PASSED

(Over Business Objections)

Prevailing Wage Rates on IRB Projects increasing cost of construction

Community Benefits Fund was created which provides \$240 million in grants for climate change community projects

BUDGET AND CAPITAL BASICS

- State's general fund budget is \$10.8 billion
- Recurring spending increase is 6%
- Reserves 30%
- Capital budget is \$1.2 billion (700 million out of general fund and 300 million for bonds minimizing debt to the state.)