



## Economic Development Updates

### Help Craft The Policy Agenda

With the 2020 legislative session less than two weeks away, the NMIDEA Legislative Committee is working to finalize the organization's policy positions and priorities. The policy agenda includes economic development budget recommendations, support for economic development incentives and programs, as well as several items that pertain to the work of the Economic Development Innovation Task Force. You can access a draft version [here](#).

Please review the draft agenda and provide us with additions, revisions, and any other input you would like to provide. Send your comments to Eric ([eric@mveda.com](mailto:eric@mveda.com)) and Jason ([jespinoza.kw@gmail.com](mailto:jespinoza.kw@gmail.com)).

### JTIP Administrative Policy Revisions

In November of last year, the New Mexico Job Training Incentive Program (JTIP) Board considered several proposed amendments to revise the wage requirements for the program.

In response to the proposed changes NMIDEA submitted [written comments](#), highlighting several concerns with the proposed wage revisions. Additionally, several NMIDEA members submitted written comments and made public comment during the JTIP Board meeting highlighting similar concerns.

Subsequently, Jennifer Prada, JTIP Program Administrator, emailed NMIDEA stating that during the December JTIP Board meeting, the Board approved items that address both concerns highlighted by NMIDEA. Both items will take effect July 1, 2020.

The JTIP board approved [grandfathering language](#) that allows the board to uphold the FY2019 wage requirements under two circumstances. The first is companies that "have engaged with the Economic Development Department through a Local Economic

Development Act (LEDA) agreement prior to December, 2019 for the length of the Project Participation Agreement contract period, provided the company meets job creation requirements within that period and wages do not fall below the statewide minimum wage." The second is companies "that have engaged with the Economic Development prior to December, 2019 for consideration of business expansion or location and have been presented with a written incentive analysis based on the FY2019 wage requirements.

Additionally, the final [wage threshold adjustments](#) approved by the JTIP board were adjusted in a responsible manner that balanced both the statewide minimum wage increase phase-in, as well as the preserving a strong job creation incentive for rural communities.

NMIDEA appreciates the willingness of JTIP board and staff to solicit input from economic developers from across the state and balance the varying interests during the rulemaking process.

## Economic Development Innovation Task Force

The Economic Development Innovation Task Force, which was convened as a result of House Memorial 16, is nearing completion of its final report.

Pursuant to the memorial, the Task Force discussed the following topics: 1) concepts regarding permanent funding sources for economic development programs and incentives, 2) stronger coordination and engagement of higher education institution alumni networks to support ongoing economic development and workforce development efforts, 3) identify ways to support the development of quality commercial and industrial space, and 4) explore other innovation concepts in economic development.

[Preliminary recommendations](#) included:

- Development of a comprehensive certified sites initiative to ensure New Mexico's communities are optimally positioned to successfully compete to attract jobs and investment.
- Enactment of legislation that would expedite the processing of permits for development projects
- Extend the maximum term of State Land Office leases
- Development of an exit survey for higher education students that can be utilized to support economic development and talent retention strategies.
- Creation of a singular, experienced-talent database to support economic development efforts
- Increased funding for the New Mexico Partnership and the Economic Development Grant Program,

A copy of the final report will be distributed to the NMIDEA membership once it is finalized.