FOCUS REPORT

A Year in NMACI Events

2020 FOCUS Bills

2020 Membership Benefits

2020
Executive Welcome

Well, we are living in interesting times...

As we wrapped up a strong 2020 legislative session, investing a billion-dollar budget surplus in pension reform, a new early childhood permanent fund, education, and building up our rainy day fund – the world shifted. Overnight, New Mexico went from billion-dollar surpluses to billion-dollar deficits. From the lowest unemployment rate in decades, to the highest in history in less than a month.

The COVID-19 pandemic has challenged all of us in different ways, but it has also demonstrated that New Mexico is full of resilient, creative entrepreneurs and leaders. Together, the business community has stepped up for New Mexico with free internet access, donated PPE for first responders, and even shifting from brewing beer to creating hand sanitizer. Millions of dollars have been donated to support small businesses and non-profits across the state, but there is so much more to do.

As we weather this storm together, NMACI will continue to provide you and your business the resources and tools you need to bring your business back and to help rebuild New Mexico’s economy. With your support, we will come back from this crisis stronger and more resilient than before, as a leader in innovation, economic competitiveness and overall quality of life.

NMACI’s Mission

The Association of Commerce & Industry is the driving force that unites the New Mexico business community to make our state a leader in industry, innovation, economic competitiveness and overall quality of life.

Together, we can build a better New Mexico.

* All photographs included in this report were taken prior to the COVID-19 pandemic.

Rob Black
President & CEO
NMACI

Sayuri Yamada
2019-2020 Board Chair
PNM
Executive Committee

Sayuri Yamada, Chair
Public Service Company of NM

Allison Smith, First Vice Chair
Kuper, Smith, & Associates LLC

Tom Briones, Second Vice Chair
Briones Business Law Consulting

Janice Torrez, Immediate Past Chair
Blue Cross Blue Shield of New Mexico

John Valentine, Treasurer
Bank of Albuquerque

Rob Richardson, Secretary
Bohannan Huston, Inc.

Deanna Archuleta, Member at Large
XTO Energy, Inc.

Craig Mayberry, Member at Large
PESCO

Chris Stagg, Member at Large
Taos Ski Valley

Board of Directors

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Jackson Lewis, P.C.

Rico Gonzales
El Paso Electric

Chad Smith
New Mexico Farm & Livestock Bureau

Erin Muffoletto
Comcast

Jacqueline Smith
Presbyterian Healthcare Systems

Derrick Jones
Lovelace Healthcare Systems, Inc.

Leo Baca
CenturyLink

Lillian Montoya
CHRISTUS St. Vincent Regional Medical Center

Kerrie Cox Romero
NM Council of Outfitters & Guides

Chris Clepper
Nusenda Credit Union

Howie Herbert
US Bank

Mary Homan
New Mexico Gas Company

Kendal Giles
Dekker/Perich/Sabatini Ltd.

Leean Kravitz
Fidelity Investments

Bernarr Treat
Xcel Energy

Erika Edgerly
Intel

Michael Wallace
Optum

Amanda Aragon
NewMexicoKidsCAN

Staff

Rob Black
President & CEO

Janae Amparan
Director of Operations & Business Development

Ashley Wagner
Director of Public Policy & Communications

Selah Cantwell
Administrative Coordinator
A Year in NMACI Events

We host events throughout New Mexico as well as Washington D.C. creating opportunities for our members to network, learn, and engage on the policy issues that affect their businesses.

D.C. Fly-In
April 29 - May 1, 2019
The D.C. Fly-In is a chance to experience the nation’s capital with fellow NMACI members and visit with New Mexico’s congressional delegation and administration officials to discuss key industry issues.

Annual Retreat
June 12 - 13, 2019
NMACI’s Annual Membership Retreat takes place in a different location in New Mexico each year. The retreat is filled with presentations on policy and local industries that help to set our policy agenda for the coming year, and gives our members the chance to network between golf swings at our golf tournament or at one of our receptions.

Legislative FOCUS
December 4, 2019
There are few events before the legislative session that bring together as many top experts in one place as NMACI's semi-annual board and membership meeting.

Our government affairs team presents for discussion and final approval of the policy positions and priorities proposed by our member-driven policy committees. The policy agenda adopted by the membership at Legislative FOCUS sets our advocacy priorities for the upcoming legislative session.

2019-20 Event Sponsors
- Marathon Oil
- Western Sky Community Care
- Blue Cross Blue Shield of New Mexico
- Presbyterian Healthcare Services
- Public Service Company of New Mexico
- Roadrunner Capitol Reports
- CenturyLink
- The Boeing Company
- XTO Energy Inc.
- CHRISTUS St. Vincent Regional Medical Center
- Fidelity Investments
- AT&T
- New Mexico Mutual
- New Mexico Small Business Development Center
In partnership with the Santa Fe Chamber of Commerce and the New Mexico Hospitality Association, NMACI hosted Business Day in Santa Fe on February 4, 2020 at La Fonda on the Plaza. Hundreds of business leaders and policy makers came together on a snowy Tuesday morning to listen to Business Day speakers discuss their visions for New Mexico. Attendees gained insight into the opportunities and obstacles that are facing the business community.

Common Ground

NMACI’s Common Ground program consists of a group of bipartisan legislators and business leaders visiting a legislative district to tour private industry, cultural landmarks or other locations that help build understanding of an area’s economic opportunities and challenges.

Our time together is used to engage in meaningful dialogue and to formulate policy solutions in order to achieve Common Ground.
Policy Making Process
As the statewide chamber of commerce, NMACI represents every industry and region in the state. Our membership-driven grassroots policy process incorporates eight different policy committees, from taxation to healthcare to energy and extractive industries. Each policy committee meets in the spring and again in the fall to review and update NMACI’s policy priorities.

Policy Committees
Twice a year NMACI’s policy committees convene through a series of meetings to review NMACI’s policy priorities and recommend changes.

Government Affairs Committee
This committee reviews and synthesizes all policy committee recommendations into a final report for the membership.

Full Membership
After the Government Affairs Committee reviews the policy agenda, it goes to NMACI’s full membership for discussion and approval.

Policy Agenda
Once approved by the full membership, NMACI staff and leadership use the Policy Agenda to craft and support and/or oppose specific measures and bills.
Every session NMACI chooses a set of FOCUS bills to actively support or oppose during the legislative session based on our membership's priorities. In 2020, our FOCUS support bills ranged from the investment tax credit and expansion, to early childhood development funding, and public pension reform.

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<thead>
<tr>
<th>Action</th>
<th>Bill Number</th>
<th>Bill Title</th>
<th>Sponsors</th>
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<tbody>
<tr>
<td>Passed</td>
<td>SB 96</td>
<td>Online School Budget Reporting</td>
<td>Rep. Jacob Candelaria</td>
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<tr>
<td>Passed</td>
<td>SB 72</td>
<td>PERA Solvency</td>
<td>Sen. George Munoz</td>
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<tr>
<td>Passed</td>
<td>SB 118</td>
<td>Local &amp; Regional Economic Development Support</td>
<td>Sen. George Munoz</td>
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<tr>
<td>Passed</td>
<td>HB 146/ SB 84</td>
<td>Extend Agricultural Biomass Income Tax Credit</td>
<td>Sen. Mary Kay Papen &amp; Rep. Javier Martinez</td>
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<tr>
<td>Passed</td>
<td>SB 4</td>
<td>Complete Count in 2020</td>
<td>Sen. William Burt</td>
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<tr>
<td>Passed</td>
<td>HB 255</td>
<td>Technology Readiness Gross Receipts Credit</td>
<td>Rep. Abbas Akhil</td>
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<tr>
<td>Passed</td>
<td>HB 233</td>
<td>Energy Grid Modernization Roadmap</td>
<td>Rep. Melanie Stansbury</td>
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FOCUS Bills NMACI Opposed

NMACI successfully opposed a number of bills that would have increased taxes and energy and healthcare costs for New Mexicans. These bills included SB 80 Community Solar Act, HB 173 Gas Taxes, New Funds & Distribution and HB 278 Health Insurance Tax and New Fund.

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<tr>
<td>Failed</td>
<td>SB 80</td>
<td>Community Solar Act</td>
<td>Sen. William Soules</td>
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<tr>
<td>Failed</td>
<td>HB 173</td>
<td>Gas Taxes, New Funds &amp; Distributions</td>
<td>Rep. Matthew McQueen</td>
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<tr>
<td>Failed</td>
<td>HB 278</td>
<td>Health Insurance Tax &amp; New Fund</td>
<td>Rep. Deborah Armstrong</td>
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SB 184/ HB 326  Tax Changes / Investment Tax Credit Extension

**Sponsors:** Senator John M. Sapien & Representative Jason C. Harper

NMACI’s top priority this session was to extend and improve the Investment Tax Credit for manufacturing which was set to expire in June of 2020. While the measure had strong bi-partisan support, it was amended and stalled in the House. NMACI worked with members of the Senate Finance Committee to add the Investment Tax Credit Extension language into a much-needed tax cleanup bill. The amendments extend the sunset date of the Investment Credit Act for 10 years and modifies the credit’s calculation if qualified equipment is not subject to GRT or Compensating Tax. HB 326 also requires out of state internet sales companies to collect GRT, making New Mexico companies more competitive.

**Position:** Support

**Action:** Signed into law

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SB 72  PERA Solvency

**Sponsor:** Senator George Munoz

New Mexico’s underfunded pension liabilities have been a primary source of the State’s credit downgrades over the past few years. Passing SB 72 was a top priority for the business community this session and the bill had strong bi-partisan support. Ensuring public pension solvency is crucial to improving New Mexico’s bond rating, which will lower the cost of public projects. Once implemented, SB 72 is predicted to fully fund the state pension fund within the next 25 years, ensuring that the state keeps its promise to retired workers.

**Position:** Support

**Action:** Signed into law

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SB 118  Local & Regional Economic Development Support

**Sponsor:** Senator George Munoz

NMACI supported SB 118, which will boost economic development in underserved areas by supporting traditional LEDA projects for economic base jobs, retail projects for communities with less than 15,000 population, and rural site infrastructure to create “shovel-ready” locations for businesses, such as roads, rail, power, and broadband. NMACI also supported the Governor’s request for $40 million in LEDA funding, with $10 million supporting programs outlined in Senate Bill 118.

**Position:** Support

**Action:** Signed into law
**Membership Benefits**

“As a sponsor of NMACI’s bi-partisan “Common Ground” program I have developed lasting relationships with legislators all over the state, and have had the opportunity to explore and learn more about New Mexico’s diverse regions and businesses. This has been one of the most successful and influential opportunities I have had when it comes to impacting legislative issues.”

- Chris Stagg  
Vice President  
Taos Ski Valley

No advocate can speak better on the needs of the private sector than the private sector itself, and as a member-driven organization, that is why NMACI prides itself as “The Voice of New Mexico Business”

“NMACI really is the bipartisan voice for business in Santa Fe. The various networking opportunities and frequent informational newsletters have been invaluable to my business operations and growth.”

- Tom Briones  
Attorney & Counselor at Law  
Briones Business Law Consulting

**HOW DOES NMACI BENEFIT MY BUSINESS?**

- Help develop business friendly initiatives to improve New Mexico’s economy
- Access to state elected officials and policy makers on key business issues
- Attend signature NMACI events at discounted member rates
- Sponsorship opportunities for special initiatives and signature events
- Network with industry peers, potential clients and business leaders from across the state
- Updates on issues that affect business through newsletters, emails, webinars and conference calls
- Employee leadership development opportunities on policy and board committees
The impact of the Coronavirus (COVID-19) has fundamentally changed the way we conduct business, provide services, deliver healthcare, and live our daily lives. Since the first days of the pandemic, NMACI has been both an advocate and resource for the business community in New Mexico. From pushing for thoughtful definitions of essential businesses or advocating for direct financial support for impacted companies, to assisting the state in sourcing Personal Protective Equipment for our healthcare workers – NMACI is working every day to ensure our members have the information and support they need to get through these challenging times.

Other measures we have taken include:

- Creating business guides and hosting educational webinars involving cabinet secretaries, the state SBA Director, the Federal Reserve and the US Chamber of Commerce for our members and local chambers of commerce
- Working with the New Mexico congressional delegation to ensure that our energy workers in southeast New Mexico were allowed to stay in their residences when hotel occupancy was restricted
- Advocating for more sidewalk dining to give our restaurants a safer, larger place to do business and allow for social distancing
- Partnering with the Governor’s office and the Department of Homeland Security to distribute over 170,000 free facemasks to local chambers of commerce for New Mexico small business
- Highlighting our members in our newsletters and website who are contributing to the COVID-relief effort
- Supporting the Small Business Recovery Act during special session to provide $500 million in loans to New Mexico small businesses and communities

### COVID Relief Legislation ACI Supported During the June 2020 Special Session

**SB 3/ HB 4 - Small Business Recovery Act of 2020**  
*Action: Signed into law*

Creates $500 million low interest small business and local government loan program from the severance tax permanent fund and freezes the Unemployment Insurance rate formula from March 2020 to June 2021, avoiding a large potential spike in insurance rates.

**SB 1/ HB 6 - Tax Changes/ Temporary Tax Waivers and Distributions**  
*Action: Signed into law*

Adjusts tax filing and penalties to align with COVID related Federal tax deadline changes.
Get in touch with us!

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