

A stylized illustration of a rocket launch on a dark blue background with stars and a green vertical bar in the top right corner. The rocket is depicted in shades of blue and green, with a central core and two side boosters. The background features a gradient from dark blue to a lighter teal, with several small white dots representing stars. In the top right corner, there is a green vertical bar and a stylized starburst graphic.

Moonshot 2026

LAUNCHING LEDA LOGRT

Economic Development, Defined

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INTERNATIONAL
ECONOMIC DEVELOPMENT
COUNCIL

- ▶ Economic development is programs, policies and activities that seek to improve the economic well-being and quality of life for a community by creating and retaining jobs and providing a stable tax base.

In the Beginning ...

Constitutional Amendment

1994: N.M. voters approved amending "Article 9, Section 14 of the Constitution of New Mexico to permit the state, or any county or municipality, to provide for public support of economic development to foster, promote and enhance local economic development efforts, while continuing to protect against the unauthorized use of public money and other public resources."

Enabling Legislation

After the exception was approved by voters, enabling legislation went into effect: "No local or regional government shall provide public support for economic development projects as permitted pursuant to Article 9, Section 14 of the constitution of New Mexico except as provided in the Local Economic Development Act or as otherwise permitted by law."

LEDA: Eligible Uses

- ▶ "Public support" includes the provision of:
 - ▶ Land, buildings or other infrastructure
 - ▶ New broadband infrastructure that does not serve a public facility
 - ▶ Public-works improvements essential to the location or expansion of a qualifying entity (THINK SITE READINESS)
 - ▶ Direct loans or grants for land, buildings or infrastructure
 - ▶ Technical assistance to cultural facilities (THINK QUALITY OF PLACE)
 - ▶ Loan guarantees securing the cost of land, buildings or infrastructure
- ▶ Grants for public-works infrastructure improvements essential to the location or expansion of a qualifying entity (THINK SITE READINESS)
- ▶ Grants or subsidies to cultural facilities (THINK QUALITY OF PLACE)
- ▶ Land for a publicly held industrial park (THINK SITE READINESS)
- ▶ Land for a publicly owned cultural facility (THINK QUALITY OF PLACE)
- ▶ Construction of a building for use by a qualifying entity

LEDA: Eligible Recipients

- ▶ "Qualifying entities" are:
 - ▶ Those that manufacture, process or assemble manufactured products or agricultural products
 - ▶ Commercial enterprises for storing, warehousing, distributing or selling products of agriculture, mining or industry
 - ▶ Restaurants and lodgers
 - ▶ Indian nations, tribes or pueblos or federally chartered tribal corporations
 - ▶ Telecommunications sales enterprises
 - ▶ Facilities for farmers' markets
 - ▶ Metropolitan redevelopment project developers
 - ▶ Cultural facilities
 - ▶ Retail businesses



What's Missing? Capacity to use LEDA

- ▶ Municipal and county general funds are often stretched thin by providing essential and basic services for residents.
- ▶ Today, most New Mexico communities lack an economic development organization (EDO), and those that do exist often operate on shoestring budgets.
- ▶ N.M. communities have historically underfunded economic development, and it shows.



“If you always do what you’ve always done, you’ll always get what you’ve always got.”

– Henry Ford

The Earmark That Almost Wasn't

- ▶ HB 479 (2019 Regular) amended Section 5-10-4 NMSA 1978 to cement discrete city and county LOGRT increments for “furthering or implementing economic development plans and projects as defined in [LEDA]...”
 - ▶ Municipal: 1/4 of 1%
 - ▶ County: 1/8 of 1%
 - ▶ Subsection F requires a referendum to be approved by a majority of voters

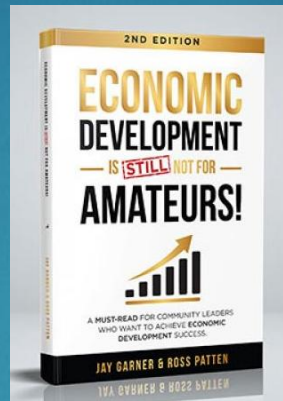
Not all heroes wear capes.



Fmr Rep. Jason Harper (2013-2024)
Primary Sponsor of HB 479 (2019 Regular)

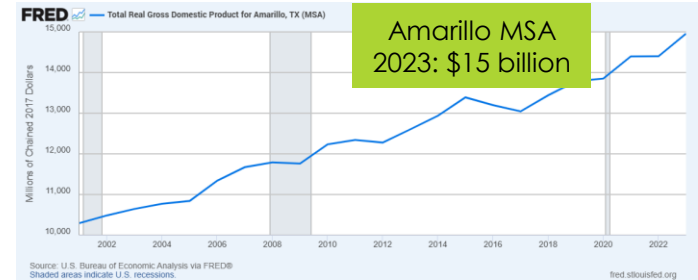
Texas' 'Game Changer'

- ▶ Author and consultant Jay Garner: Texas' 4A and 4B sales taxes "decentralized economic development by allowing communities in Texas to control their own destiny."
- ▶ "Was passing [new taxes in Texas] difficult? Absolutely. No one (or mostly no one) likes taxes. Was it effective? The results speak for themselves."
- ▶ Texas perennially leads the nation in total job creation. For 2015-2025, Texas created more jobs than New Mexico has residents, at more than 2.5 million.



See Amarillo MSA (2020 Pop. 268,691)
vs.
Las Cruces MSA (2020 Pop. 219,561)

Real Gross Domestic Product



Per Capita Personal Income



What Makes Texas a Winner?

- ▶ “Adult money” from economic development corporation (EDC) sales taxes
- ▶ Type A and Type B sales taxes fund more than 700 Texas EDCs
- ▶ Each sales tax type can be enacted at up to ½%
- ▶ Many communities can enact both types



Texas' Secret Sauce: CAPACITY!

- ▶ 2023 EDC sales tax revenues topped \$1.2 billion
- ▶ 2023 average Type A revenue: \$2.2 million
- ▶ 2023 average Type B revenue: \$1.5 million
- ▶ Secondary and even tertiary markets have war chests in the tens of millions

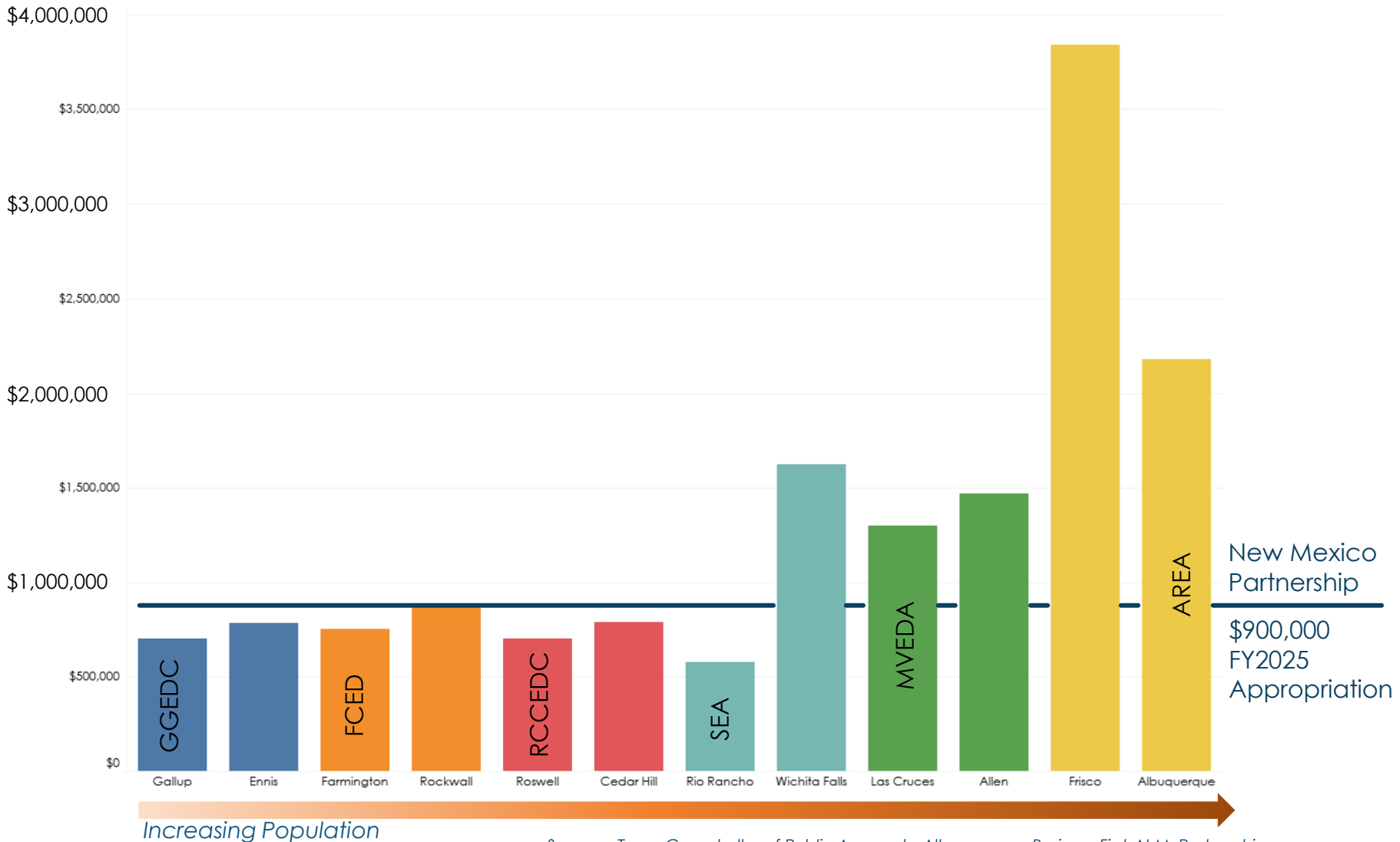
“I can do a whole lot more with a \$10 million economic development budget than I can with a \$67,304 economic development budget.”
– Mike Barnes (2017)

TEXAS ECONOMIC DEVELOPMENT CORPORATION SALES TAX REVENUE			
Texas City	2020 Population	EDC Type	2024 Revenue
Lubbock	257,141	A	\$16,782,586
Amarillo	200,393	A	\$30,979,276
Frisco	200,509	A	\$39,296,520
Frisco	200,509	B	\$47,071,801
Abilene	125,182	A	\$20,011,590
Allen	104,627	A	\$16,764,998
Allen	104,627	B	\$16,249,702
Rockwall	47,251	A	\$10,304,209
Big Spring	26,144	A	\$3,479,096
Ennis	20,159	B	\$3,355,291
Cedar Hill	49,148	A	\$4,975,278
Cedar Hill	49,148	B	\$6,683,776
Wichita Falls	102,316	A	\$6,392,783
Wichita Falls	102,316	B	\$6,066,092

Source: Texas Comptroller of Public Accounts

N.M. EDOs vs. Texas EDCs (lite)

Just the combined marketing and personnel expenditures of Texas EDCs (2024) surpass the total budgets of New Mexico EDOs (2025).



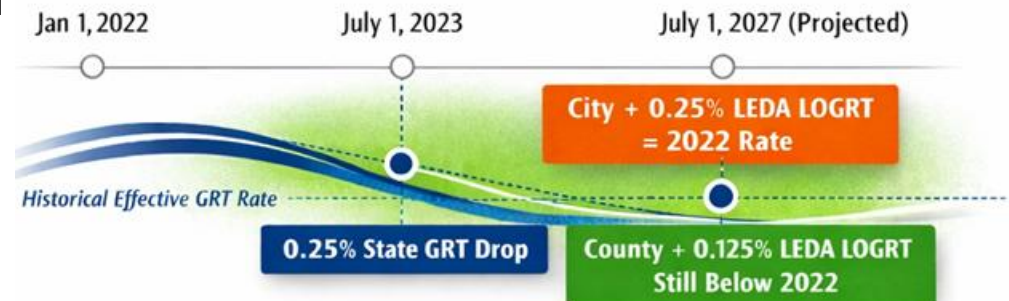
Sources: Texas Comptroller of Public Accounts; Albuquerque Business First; N.M. Partnership

The Launch Window is Now: New Mexico GRT Dropped ¼%

- ▶ On July 1, 2023, the effective GRT rate for most cities and counties decreased ¼ of a percent since Jan. 1, 2022.
- ▶ The Legislature and the Governor effectively created headroom for LEDA LOGRT – for local investment.

LEDA LOGRT:

Using State GRT 'Headroom' for Local Investment



Valencia County

January 2022 GRT Rate: 6.8750%

July 2025 GRT Rate: 6.6250%

How LEDA LOGRT Makes 'Cents'

0.125 County LEDA LOGRT	0.25 Muni. LEDA LOGRT	0.375 County + Muni. LEDA LOGRT
12.5¢ per \$100 or 1¢ per \$8	25¢ per \$100 or 1¢ per \$4	37.5¢ per \$100 or 1¢ per \$2.67

GROCERIES ARE EXCLUDED



Credit: Think New Mexico

**YOU SAVE FOR
THEIR COLLEGE.
WHAT IF YOU
COULD SAVE
FOR THEIR
CAREERS,
TOO?**



LEDA LOGRT: Funny Name, Serious Impact

POTENTIAL ANNUAL
REVENUE FOR SELECT
COUNTIES & CITIES

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Valencia County Taxable Receipts (November 2023-October 2024 Business Activity)	
January	\$166,291,101.98
February	177,314,930.60
March	182,638,779.02
April	128,538,417.72
May	177,864,125.44
June	161,142,024.46
July	161,037,410.88
August	154,139,612.44
September	164,737,737.44
October	175,247,440.43
November	162,501,868.41
December	148,724,490.26
Total	\$1,960,177,939.08
LEDA LOGRT Municipal Rate	0.00125
LEDA LOGRT Revenue	\$2,450,222.42

- ▶ No city or county currently funds an economic development strategy from its general fund at the level LEDA LOGRT revenue could underwrite.
- ▶ Cities and counties can combine forces
 - ▶ They can chip in on certain initiatives with a shared benefit
 - ▶ Local EDOs can form a regional EDO
 - ▶ Combinations of cities and counties may form regional governments through JPAs

Cultivating Economic Growth

Strategic and proactive investments using revenue from LEDA LOGRT can make communities attractive for competitive economic development projects with long-term impacts.

\$180.2 Million
in Economic Impact
over 10 Years

\$2.7M
New City
Revenue
over 10 Years

\$2.6M
New County
Revenue
over 10 Years

Example: Aerospace Mfg.

- Jobs Created: 65
- CapEx: \$60 million
- Location: Los Lunas, N.M.

Project

LEDA LOGRT
Investments



Site
Readiness



Quality
of Life



Marketing
& Attraction



Local
LEDA
Award

Accountability in Action

- ▶ Application
- ▶ Staff Review
- ▶ Governing Body Approval by Ordinance
- ▶ Project Participation Agreement (contract with safeguards)

Voters can have confidence that, when they approve LEDA LOGRT, there is a process that guarantees transparency, fairness and alignment with community values.

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LEDA LOGRT Election Timeline

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1. The local government gives notice of the LEDA LOGRT ordinance by publishing its title and subject matter at least two weeks prior to consideration of final action by the governing body
2. After enacting the ordinance, the governing body adopts a resolution calling for an election on the question (positive referendum)
3. ≥ 70 days before the election, the local government shall file a resolution proposing the ballot question with the county clerk
 - ▶ Aug. 25 is 70 days before Nov. 3 (candidate filing day)
 - ▶ ≥ 67 days before the election, each county clerk shall certify the local government ballot question to the secretary of state
4. Election Day, Nov. 3
5. If voters approve LEDA LOGRT and when the election results are certified, the local government must deliver a certified copy of the ordinance to NMTRD within five days after the election
 - ▶ The effective date of the ordinance must be July 1

LEDA LOGRT Election Toolkit

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- ▶ Sample Resolution
- ▶ Model County and City Ordinances, as Seen on tax.newmexico.gov
- ▶ Model County and City Ballot Questions (English and Spanish)



MODEL ORDINANCE - County LEDA LOGRT - 2025
Local Economic Development Act Local Option Gross Receipts Tax
Adopting a Tax Increment

ORDINANCE NUMBER
ADOPTING A LOCAL ECONOMIC DEVELOPMENT ACT LOCAL OPTION
GROSS RECEIPTS TAX

BE IT ORDAINED BY THE GOVERNING BODY OF
(Name of County):

Section 1. Imposition of Tax. There is imposed on any person engaging in business in the county, for the privilege of engaging in business in this county, an excise tax equal to one-eighth of one percent (0.125%) of the gross receipts reported or required to be reported by the person pursuant to the New Mexico Gross Receipts and Compensating Tax Act as it now exists or as it may be amended. The tax imposed under this ordinance is pursuant to the County Local Option Gross Receipts and Compensating Taxes Act and the Local Economic Development Act as they now exist or as they may be amended and shall be known as the "Local Economic Development Act local option gross receipts tax."

Section 2. General Provisions. This ordinance hereby adopts by reference all definitions, exemptions and deductions contained in the Gross Receipts and Compensating Tax Act as it now exists or as it may be amended.

Section 3. Specific Exemptions. No Local Economic Development Act local option gross receipts tax shall be imposed on the gross receipts arising from:
A. transporting persons or property for hire by railroad, motor vehicle, air transportation or any other means from one point within the county to another point outside the county; or
B. direct broadcast satellite services.

Section 4. Dedication. Revenue from the Local Economic Development Act local option gross receipts tax will be used for the purposes below:
A. Economic development plans and projects as defined in the Local Economic Development Act or projects as defined in the Statewide Economic Development Finance Act, provided:

- 1) arts and cultural districts created pursuant to the Arts and Cultural District Act are a qualifying purpose;
- 2) cultural facilities are a qualifying entity; and
- 3) retail businesses are a qualifying entity.

We Have Ignition

- ▶ In early 2026:
 - ▶ Bernalillo: 74% approval
- ▶ In 2025:
 - ▶ Lordsburg: 65% approval
 - ▶ Los Ranchos: 62% approval

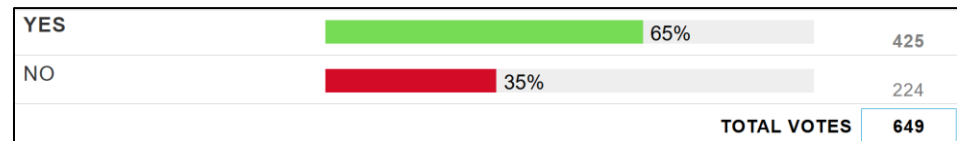
“Here we have a tax that the voters get to vote on, that is very prescriptive in terms of how its funds can be utilized, in terms of supporting and developing and investing in our community.”

– Mayor Lawrence Rael, Los Ranchos

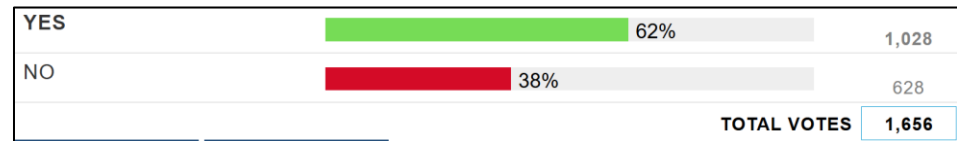
Bernalillo



Lordsburg

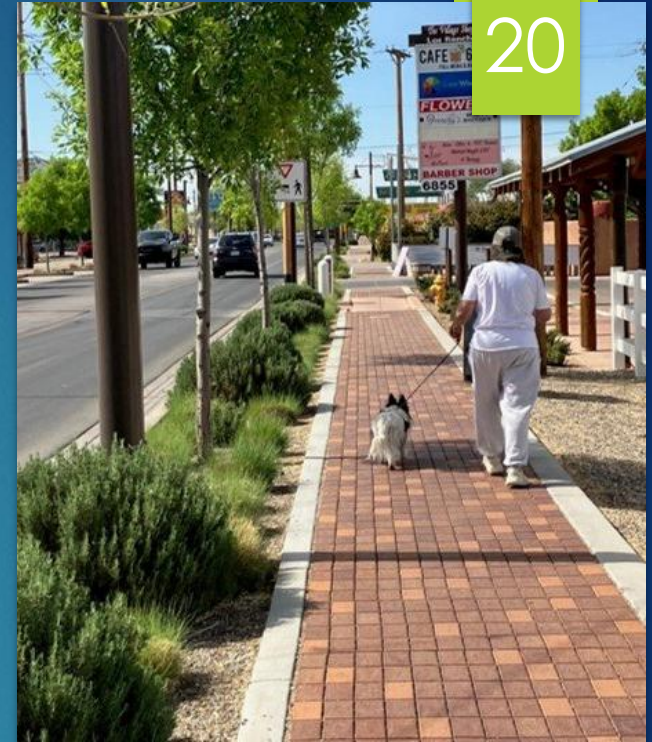


Los Ranchos



Los Ranchos Case Study: 'Investing in Ourselves'

- ▶ Why LEDA? A framework for investing in ourselves.
- ▶ What We'll Do
 - ▶ Improve signage, lighting, parking, landscaping
 - ▶ Add amenities and support events at Anderson House, Del Norte, Agri-Nature Center
 - ▶ Support arts market, Historical Society, cultural programming
 - ▶ Ensure projects reflect Village identity
- ▶ Looking Ahead
 - ▶ Strengthens what already makes Los Ranchos unique
 - ▶ Protects rural character while supporting local businesses
 - ▶ Builds capacity for agriculture, culture, and community



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Ready for Takeoff?

▶ Go/No Go Checklist for Communities:

- ❑ Local LEDA Ordinance Passed by the Council/Commission?



- ▶ More than 80 municipalities and counties have passed local LEDA ordinances (See your NMEDD rep)

- ❑ Notice of LEDA LOGRT ordinance published?
- ❑ LEDA LOGRT ordinance enacted by the council/commission?
- ❑ LEDA LOGRT resolution adopted by the council/commission calling for an election?
- ❑ Publish notice of election and election resolution?
- ❑ Win voter approval of LEDA LOGRT?
- ❑ Send the voter-approved ordinance to the N.M. Taxation & Revenue Dept.?



To the Moon! To Recap...

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- ▶ New Mexico has a constitutional framework (via LEDA) that allows public investment in economic development projects, but most communities lack the capacity to fully leverage it.
- ▶ HB 479 (2019 Regular) created dedicated city ($\frac{1}{4}\%$) and county ($\frac{1}{8}\%$) LOGRT increments, protected from GRT rate caps, enabling communities to fund LEDA-eligible projects sustainably.
- ▶ Texas' Type A and Type B sales taxes show what local autonomy and dedicated revenue can achieve: more than \$1 billion in annual EDC funds and robust capacity even in small markets.
- ▶ New Mexico's leading EDOs operate with far smaller budgets, highlighting a capacity gap that LEDA LOGRT could meaningfully close.
- ▶ Recent GRT reductions ($\frac{1}{4}\%$ statewide drop) created headroom for communities to adopt LEDA LOGRT without surpassing historic tax rates.
- ▶ LEDA LOGRT revenue offers a transformative opportunity for New Mexico communities to invest in site readiness, cultural assets, infrastructure and job growth.
- ▶ Voters in Lordsburg (65%) and Los Ranchos (62%) approved LEDA LOGRT in 2025, demonstrating public support where benefits are clearly communicated.
- ▶ With clear safeguards, LEDA LOGRT provides a transparent, voter-approved path to local economic development capacity.



THANK YOU!