



State of New Mexico

# New Mexico

One Year Economic and Infrastructure  
Development Plan for the Southwest Border  
Regional Commission

2024



# State of New Mexico

## **Introduction**

In accordance with 40 U.S.C §15302(2), this document will serve as the State of New Mexico's Southwest Border Regional Commission (SBRC) Economic and Infrastructure Development Plan. This plan will begin with a look at New Mexico's current economic state, including key industries, development plans, and SBRC's role within this context. Next, the plan will provide an overview of the SBRC and its historical context, including vital data about the New Mexico counties within SBRC's purview. The plan will then offer an assessment of the needs of various New Mexico counties covered by the SBRC. As a follow-up, it will align the goals of the SBRC with the objectives of the State of New Mexico. Lastly, the plan will discuss strategies of assistance for the SBRC region that align with state goals.



# State of New Mexico

## New Mexico's Current Economic Context

New Mexico's Economic Development Department (EDD) published the Statewide Strategic Plan, *[Empower and Collaborate - New Mexico's Economic Path Forward](#)*, in October 2021, more recently updated in June 2023, which illustrated the state's current economic context, in addition to mapping a forward-looking agenda for continued development.

Despite New Mexico's impressive recovery from the severe job losses of the great recession and the COVID-19 pandemic, the report makes it clear that New Mexico continues to face several challenges that must be addressed, to bolster its tax base, workforce, and overall economy as neighboring states like Colorado and Utah have done. The report outlines six specific areas for improvement to capitalize on New Mexico's natural advantages.

These include:

1. Improving development among and collaboration between economic development stakeholders;
2. Attracting and retaining talent in urban, rural, and Tribal communities;
3. Properly aligning priorities between academia and industry;
4. Engaging socioeconomically disadvantaged communities in planning;
5. Lessening the public-sector dominance in innovation;
6. Diversifying New Mexico's economy, which has traditionally relied primarily on retail, government, and oil and gas.

The diversification of New Mexico's economy has already begun and there has been growth in a variety of new and traditional industries, with nine key target industries that include aerospace, biosciences, cybersecurity, film and television, outdoor recreation, sustainable agriculture, intelligent manufacturing, global trade, and sustainable and green energy. However, growth has not been equal among all these burgeoning industries in the post-pandemic period. According to the EDD report, strategic interventions will be needed to grow the state's GDP and keep New Mexico economically competitive.

More recently, EDD has conducted research and community engagement to inform updates to its *Empower and Collaborate* plan. In addition to the sectoral approach comprised of New Mexico's nine target industries, EDD has begun to identify common needs across New Mexico communities that transcend a focus on particular industries. Through a comprehensive public input process, focus groups with key stakeholders such as New Mexico's councils of governments, and analysis of themes appearing in each regional Comprehensive Economic Development Strategy, EDD has distilled the challenges voiced across New Mexico communities. The department has determined that infrastructure improvement, healthcare access,



## State of New Mexico

and workforce development are among the top concerns of regional economic leaders. While nearly ubiquitous across the state, such issues become even more acute in the Southwest border region, where rural and low-income community members often struggle to access basic amenities that would improve their quality of life.

Accordingly, New Mexico's Southwest Border Regional Commission (SBRC) Economic and Infrastructure Development Plan addresses the intersection of regional economic development interests with state priorities to highlight areas of mutual concern, also listed above: (1) infrastructure improvement, (2) healthcare access, and (3) workforce development.

The SBRC plays a vital role in New Mexico's plans to accomplish more stable, cohesive, and long-lasting economic development that addresses the interests of various statewide stakeholders, including historically marginalized communities in the border region. This federal-state partnership will assist in building a stronger, more resilient economy that will improve vital public services in high need counties. This will satisfy the mandate of the SBRC by creating jobs, empowering communities, and improving the lives of citizens in the region.



## State of New Mexico

### Overview and Assessment of the Region

This section offers more information about the SBRC eligible area within New Mexico, explaining its larger context and provides specific data about counties within the SBRC. The state of New Mexico, due to its geographic location, is a member of the Southwest Border Regional Commission (SBRC), a federal-state partnership authorized in the 2008 Farm Bill to foster economic development in the southern border regions of Arizona, California, New Mexico, and Texas. The SBRC's mission is to help create jobs, empower communities, and improve the lives of those who reside in the 93 counties of the four-state region.

Of New Mexico's 33 counties, 11 fall within the service area of the SBRC. Nine counties – Catron, Chaves, Doña Ana, Grant, Hidalgo, Luna, Otero, Sierra, and Socorro – are assessed as distressed counties. Two counties, Lincoln and Eddy, are assessed as transitional counties.

The SBRC is one of seven authorized federal regional commissions and is modeled after the Appalachian Regional Commission. Its permanent authorization resides in 40 USC Subtitle V. The SBRC functions as an economic development agency providing federal grant funds and helping implement development programs for communities in the Southwest. SBRC's statute also provides for the equitable participation of federally recognized Tribal governments in the region.

The poverty rates, unemployment rates, income levels, and education attainment of each New Mexico county under the SBRC are provided below.

### Catron County

Category	Catron County	United States
<b>Demographics</b>	Median Age: 59.8	Median Age: 38.4
<b>Economic</b>	Prime Age Labor Force Participation Rate: 48%	66%
	Median Household Income: \$37,623	\$69,021
	Per Capita Income: \$22,779	\$37,638
<b>Educational Attainment (Age 25-54)</b>	No High School Diploma: 1%	4.90%
<b>Social</b>	Population in Poverty: 22%	12%



## State of New Mexico

### Chaves County

Category	Chaves County	United States
<b>Demographics</b>	Median Age: 36.1	Median Age: 38.4
<b>Economic</b>	Prime Age Labor Force Participation Rate: 59%	66%
	Median Household Income: \$47,620	\$69,021
	Per Capita Income: \$24,329	\$37,638
<b>Educational Attainment (Age 25-54)</b>	No High School Diploma: 9%	4.90%
<b>Social</b>	Population in Poverty: 20%	12%

### Doña Ana County

Category	Doña Ana County	United States
<b>Demographics</b>	Median Age: 33.4	Median Age: 38.4
<b>Economic</b>	Prime Age Labor Force Participation Rate: 53%	66%
	Median Household Income: \$47,151	\$69,021
	Per Capita Income: \$24,645	\$37,638
<b>Educational Attainment (Age 25-54)</b>	No High School Diploma: 6.9%	4.90%
<b>Social</b>	Population in Poverty: 23%	12%

### Grant County

Category	Grant County	United States
<b>Demographics</b>	Median Age: 47.2	Median Age: 38.4
<b>Economic</b>	Prime Age Labor Force Participation Rate: 55%	66%
	Median Household Income: \$39,429	\$69,021
	Per Capita Income: \$25,801	\$37,638
<b>Educational Attainment (Age 25-54)</b>	No High School Diploma: 4.7%	4.90%
<b>Social</b>	Population in Poverty: 21%	12%



## State of New Mexico

### Hidalgo County

Category	Hidalgo County	United States
Demographics	Median Age: 43.0	Median Age: 38.4
Economic	Prime Age Labor Force Participation Rate: 57%	66%
	Median Household Income: \$46,097	\$69,021
	Per Capita Income: \$23,029	\$37,638
Educational Attainment (Age 25-54)	No High School Diploma: 7%	4.90%
Social	Population in Poverty: 22%	12%

### Otero County

Category	Otero County	United States
Demographics	Median Age: 36.5	Median Age: 38.4
Economic	Prime Age Labor Force Participation Rate: 49%	66%
	Median Household Income: \$46,949	\$69,021
	Per Capita Income: \$23,792	\$37,638
Educational Attainment (Age 25-54)	No High School Diploma: 5.9%	4.90%
Social	Population in Poverty: 18%	12%

### Luna County

Category	Luna County	United States
Demographics	Median Age: 36.5	Median Age: 38.4
Economic	Prime Age Labor Force Participation Rate: 54%	66%
	Median Household Income: \$33,914	\$69,021
	Per Capita Income: \$18,801	\$37,638
Educational Attainment (Age 25-54)	No High School Diploma: 12.2%	4.90%
Social	Population in Poverty: 26%	12%



## State of New Mexico

### Sierra County

Category	Sierra County	United States
Demographics	Median Age: 55.3	Median Age: 38.4
Economic	Prime Age Labor Force Participation Rate: 57%	66%
	Median Household Income: \$35,939	\$69,021
	Per Capita Income: \$26,735	\$37,638
Educational Attainment (Age 25-54)	No High School Diploma: 6.9%	4.90%
Social	Population in Poverty: 24%	12%

### Socorro County

Category	Socorro County	United States
Demographics	Median Age: 40.0	Median Age: 38.4
Economic	Prime Age Labor Force Participation Rate: 43%	66%
	Median Household Income: \$38,242	\$69,021
	Per Capita Income: \$19,840	\$37,638
Educational Attainment (Age 25-54)	No High School Diploma: 5.9%	4.90%
Social	Population in Poverty: 31%	12%

### Eddy County

Category	Eddy County	United States
Demographics	Median Age: 35.5	Median Age: 38.4
Economic	Prime Age Labor Force Participation Rate: 63%	66%
	Median Household Income: \$67,759	\$69,021
	Per Capita Income: \$32,560	\$37,638
Educational Attainment (Age 25-54)	No High School Diploma: 7.9%	4.90%
Social	Population in Poverty: 15%	12%





## State of New Mexico

### Lincoln County

Category	Lincoln County	United States
<b>Demographics</b>	Median Age: 52.6	Median Age: 38.4
<b>Economic</b>	Prime Age Labor Force Participation Rate: 63%	66%
	Median Household Income: \$47,247	\$69,021
	Per Capita Income: \$29,846	\$37,638
<b>Educational Attainment (Age 25-54)</b>	No High School Diploma: 5.5%	4.90%
<b>Social</b>	Population in Poverty: 13%	12%

As a whole, this data presents a picture of New Mexico counties whose economic prospects have been blunted by relatively high poverty, low educational attainment, and low levels of per capita and household income compared to national figures. Throughout the last year of community engagement to update its *Empower and Collaborate* strategic plan, EDD has frequently received feedback that New Mexico communities require flexible funding opportunities to meet them where they are at. Among the most commonly expressed concerns, infrastructure, healthcare, and workforce development are preeminent. Not surprisingly, these factors are also top indicators in high-profile national rankings of business climate. Thus, addressing these concerns fosters a more hospitable environment for businesses currently operating or seeking to operate in New Mexico.



# State of New Mexico

## Investing in Southwest Border Region Priorities

### 1. Public Infrastructure

An examination of factors contributing to distress in New Mexico counties covered by the SBRC reveals that infrastructure remains a key area of concern. The SBRC must invest in the repair, construction and expansion of public infrastructure, such as broadband, clean energy and transmission infrastructure, roads and bridges, to better ensure the safety of citizens in SBRC areas and remove inhibition from new industry investment in distressed counties due to the danger posed by aging infrastructure.

In some cases, counties and municipalities that are susceptible to flooding need improvements in public infrastructure for the sake of public safety. Likewise, public infrastructure such as broadband, roads and bridges within the SBRC urgently require repair, upgrades and/or expansion.

In addition to infrastructure to prevent and mitigate flooding, some communities within the SBRC require significant investments in new and existing drinking water and wastewater infrastructure. Small, rural communities in the SBRC service area often suffer from chronic challenges with technical, financial and managerial capacity to upgrade and maintain water infrastructure. As New Mexico experiences higher temperatures, more severe and persistent drought, and more extreme precipitation events, all existing infrastructure is subject to greater stress and risk of deterioration.

Additionally, many communities within the SBRC require increased access to affordable housing, a key form of public infrastructure.

### 2. Border Infrastructure

Three of the New Mexico counties under the SBRC adjoin the U.S.-Mexico border. Doña Ana County, bordering the Mexican state of Chihuahua, is of vital economic importance as a conduit for goods and commerce between these two nations. Improvement in the border transportation infrastructure – roads, rail and air – in the Santa Teresa region of the border is needed to enhance the potential for economic gains in New Mexico.

Such investments would allow an increased flow of commerce, new employment opportunities through the construction of infrastructure, and expanded border trade capacity. Transportation infrastructure priorities in the Border region include expansion and enhancement of major road arteries, and Dona Ana Jetport, which all provide critical pathways for the flow of goods. This infrastructure would also make some SBRC counties



## State of New Mexico

and the state of New Mexico at large more competitive with adjoining border states like Texas and Arizona. In addition, federal investment in infrastructure at the New Mexico ports of entry is a priority for the State.

### **3. Healthcare**

The demographic data provided above demonstrates that the populace in several of the distressed counties is older than the national average. In addition, several distressed New Mexico counties have a lack of nearby healthcare facilities or have facilities in need of rehabilitation or repair. Lastly, New Mexico faces a shortage of healthcare professionals to serve an aging population.

To better serve the populations of distressed counties, the SBRC should invest in improving healthcare. This should include the construction and maintenance of new and existing healthcare facilities, such as hospitals and urgent care clinics. This necessitates investment in educating and training a larger workforce of healthcare workers in distressed counties. Efforts must also be made to retain this workforce, making it more attractive for them to not leave for other states.

Given that New Mexico counties under the SBRC include a significant rural population, increasing access to healthcare must also consider options for rural community mobility, allowing for flexible transport to and from medical appointments and/or telehealth options.

### **4. Workforce Development**

Due to having a high percentage of rural and immigrant workforce, Southwest Border Region counties experience a need for accessible and flexible workforce development opportunities. In order to participate in training programs, many residents of these counties may require language access and/or wraparound services such as childcare and transportation. Just as accessing healthcare can be difficult for rural communities due to a lack of facilities located within their communities, access to education, retraining, and job services can be complicated by living in a remote location. SBRC's funding opportunities will allow New Mexico to invest in flexible solutions to meet the workforce development needs of the border region.

For example, the SBRC currently administers the New Mexico Media Academy Bilingual Program, a job training initiative designed to develop and deploy a bilingual workforce with advanced skills that can work in New Mexico's burgeoning film and television industry. Similar programs across a broader range of prospective industries would provide flexible training options for bilingual or ESL border region residents.



## State of New Mexico

Additionally, the SBRC currently collaborates on the Advanced Technologies Workforce Development Program, which trains workers for opportunities in the fields of construction and renewable energy, the latter of which is one of the state's target industries. Within emerging fields such as clean energy, training opportunities are often concentrated in urban areas, making SBRC collaboration a compelling avenue to bring much-needed skills such as energy assessors or solar cell installers to rural and border region communities.

### Alignment of State Goals with Commission Goals

The three aforementioned priority areas (infrastructure improvement, healthcare access, and workforce development) lay at the intersection of regional needs and state priorities. To reiterate, objectives mentioned in New Mexico's 2021 *Empower and Collaborate* plan include:

1. Improving development among and collaboration between economic development stakeholders;
2. Attracting and retaining talent in urban, rural, and Tribal communities;
3. Properly aligning priorities between academia and industry;
4. Engaging socioeconomically disadvantaged communities in planning;
5. Lessening the public-sector dominance in innovation;
6. Diversifying New Mexico's economy, which has traditionally relied primarily on retail, government, and oil and gas.

A focus on infrastructure, healthcare, and workforce responds to each of the objectives named in the 2021 plan, recognizing commonly identified economic and community development challenges that make it difficult for New Mexico, including the Southwest border region, to create a more resilient and diversified economy. Moreover, these focus areas are aligned with SBRC's stated mission of: 1. Creating Jobs 2. Empowering Communities 3. Improving lives.

By offering flexible funding opportunities for local communities to build their infrastructure, healthcare services, and workforce development resources, SBRC's partnership with the state of New Mexico will support Southwest border leaders in meeting their underlying needs; before communities can grow jobs and revenue in New Mexico's target industries, for instance, it is often the case that they must address urgent challenges such as housing shortages, a lack of available medical professionals, or unsafe drinking water. This year's SBRC plan builds upon the work of EDD's *Empower and Collaborate* strategy to reduce commonly cited barriers to economic growth in New Mexico's southwest border region.