



Improved Data and Oversight for LEDA, TIDD, IRB's, and Community Benefits

The Problem: New Mexico has some powerful tools to incentivize investment in the state to create jobs and economic benefits that come with them. But the enthusiasm for granting tax breaks, credit, land, and subsidies as incentives for businesses is not matched with an enthusiasm for creating new housing to meet the demand created by new jobs and economic development.

The Solution: In 2025, House Bill 135 aimed at requiring a housing study for any Local Economic Development (LEDA) project. The point of gathering data on the possible effect on demand for housing from a project incentivized using LEDA, was to help the state and local jurisdictions better plan for housing impacts. What's needed is similar legislation that would require better data collection and reporting that would help the state, counties, and cities develop plans for community benefits, especially housing, in exchange for economic development incentives.

Legislative Proposal: Legislation would require that the state's Economic Development Department (EDD) work with the Department of Workforce Solutions (DWS) and Housing New Mexico (MFA) to develop a comprehensive set of community benefits that could be provided either by businesses locating in New Mexico or local jurisdictions inviting them. The intention would not be to create disincentives to locate in New Mexico, but ensure that local communities can better plan to provide housing for new workers and people already living in a community.

Potential Partners: State and local economic development organizations, realtors, and market and non-profit developers would benefit from a healthy stream of data and options to support creating new jobs and ensuring that those jobs don't create a downside for affordability by creating a surge in demand for housing without adequate production.

Potential Opposition: Many of the organizations that should support this idea might oppose it out of fear that requiring more data collection and planning for community benefits including housing would discourage business from locating in New Mexico.

How will we pay for it? Local jurisdictions and businesses seeking to locate in New Mexico would pay for data collection and planning as part of the LEDA process.

