AUGUST 23RD, 2023

HEINRICH: "NEW MEXICO COMPETES BEST WHEN WE COMPETE AS OURSELVES"

Senator outlines his vision for unlocking an economic future that's right for New Mexico

ALBUQUERQUE – Today, U.S. Senator Martin Heinrich (D-N.M.), Chair of the U.S. Congress Joint Economic Committee, delivered a speech to the Albuquerque Economic Forum laying out his vision for an asset-based economic development approach to grow New Mexico's economy and grow its middle class.

"New Mexico competes best when we compete as ourselves," **said Heinrich.** "To deliver for a state as exceptional as New Mexico, we need an equally unique and resilient economy."

Heinrich pointed to growing economic sectors where New Mexico has successfully competed including clean energy, defense technologies, and outdoor recreation.

"New Mexico can outcompete anyone if we invest in what makes us stand out," **Heinrich continued.** "As we continue our work to grow New Mexico's economy, it's important to also keep in mind why we're doing it. It's NOT to become the next Denver or Seattle. We are doing this work to unlock an economic future that's right for New Mexico. At its core, that means unlocking the kind of high-quality careers and sustainable industries that New Mexicans can build their families around, in their home communities."

Heinrich also challenged leaders to increase New Mexico's labor participation rate by tackling the persistent challenges that have held too many back from being able to fully participate, including education and literacy rates, health care and mental health care access, infrastructure, and public safety.

"We cannot have an effective economic development strategy for all New Mexicans that ignores our labor participation rate," said Heinrich. "Creating pathways for more New Mexicans to participate in the labor market requires tackling some of our biggest and longest running challenges."

Heinrich closed the speech by encouraging everyone to keep working together toward a shared vision for New Mexico's economic future.

"We might not agree on the exact next steps to deliver a stronger economic future for our state. But our North Star is the same: the future that New Mexico's kids deserve," **said Heinrich.** "We all want this rising generation of New Mexicans to have a fair shot at success. And we want them to be excited about building their careers and families in New Mexico. We want to finally move from surviving to thriving as communities and as a state. I am all in on working with each of you to deliver that future."

Senator Heinrich's full remarks as prepared for delivery are below:

Good morning and thank you, everyone.

It is an honor to be with you here this morning and to represent this great state as your senator.

I have fought hard for New Mexico under three presidential administrations.

In the majority and the minority.

In the House and in the Senate.

And now on the Senate Appropriations Committee and as chair of the Joint Economic Committee.

And here's what I can say about economic development for our state:

New Mexico competes best when we compete as ourselves.

Albuquerque is not Austin or Raleigh-Durham.

New Mexico is not New York or California.

Our people, our history, and our environment are unlike anywhere else.

And we should embrace that.

New Mexicans are resourceful and inventive, tenacious and resilient.

Our sense of place can be traced back over millennia.

We are a tightly knit community, built on authenticity and close connections.

When we know a family member, a neighbor, or a whole community is struggling, New Mexicans roll up our sleeves and get to work.

We have a real reverence for places, the histories they hold, and the possibilities we can create.

We are creative artists, entrepreneurs, groundbreaking scientific researchers, clean energy workers, public school educators, and health care providers.

To deliver for a state as exceptional as New Mexico, we need an equally unique and resilient economy.

We need to let go of the idea that our economy can or should rely on any single industry.

We need to let go of the boom-and-bust mentality that has incentivized short-term, narrow thinking over sustainable, long-term economic planning.

This includes broadening our base—in the types of revenue our state is taking in, and in the economic engines that we grow and build in this state.

This also includes creating pathways for success for all of our state's residents, and in all of our state's geographic regions.

As we do this, we need to recognize that Albuquerque also is not the same as Questa and Mesilla is not the same as Clovis.

Each of these communities are distinct.

Each is in need of different economic strategies.

Still - they are all tied together.

The success of Albuquerque and every other city and town in our state is tied to the success of our state's economy as a whole.

We have real work to do.

But we don't need to reinvent the wheel.

We have proven successes to learn from.

Today, I'm going to focus on a few of those successes:

Successes in clean energy, defense technologies, and outdoor recreation.

So let's start with clean energy.

This is a high-growth sector where New Mexico is already in the lead with even more room to grow.

Our state is home to some of the best wind and solar resources on Earth.

We are also home to world-leading energy researchers and a proven energy and trades workforce.

According to a recent Department of Energy report, New Mexico led the nation in clean energy job growth from 2021 to 2022.

And that was before the Inflation Reduction Act supercharged this industry.

New Mexicans in labor and the skilled trades have already built some of the largest clean energy projects in the entire nation.

When it is completed, the SunZia Transmission and Wind Project will become the largest renewable energy infrastructure project in the entire Western Hemisphere.

Right here in New Mexico.

New Mexicans are also manufacturing rooftop solar racking hardware and utility-scale solar trackers. We are building wind towers at the Arcosa Wind Towers factory in Belen.

And earlier this month, Maxeon Solar announced that it is building a new manufacturing facility that will create 1,800 jobs in Mesa del Sol.

This will be the second major clean energy manufacturing facility to open in our state since we passed the Inflation Reduction Act.

These factories will create high-quality trades careers that New Mexicans can build a family around.

Careers a lot like my dad's as an IBEW lineman.

His career was my family's ticket to the middle class.

It was an honor for me to help write and pass the Inflation Reduction Act to deliver that same ticket to the middle class to more of New Mexico's kids—our kids.

As President Biden said in Belen earlier this month, when you think climate, think jobs.

Solving the climate crisis will be one of the greatest wealth creation opportunities in our lifetimes.

We need to continue bringing this opportunity home to New Mexico by establishing ourselves at the leading edge of the clean energy and electrification sectors.

Now, let's talk defense technologies.

For decades now, New Mexicans working both on and off our military installations and national labs have repeatedly set the standard for developing novel technologies.

This didn't happen by accident.

During my time in Congress, I have worked to steer investments toward New Mexico's bases, defense research labs, and testing ranges.

I have focused on maintaining New Mexico's success in areas where we have always made critical national security contributions.

But I have worked equally hard to prepare our installations, labs, and private industry partners to excel in the emerging fields that will be vital in the missions of the future.

I actually began my career as a contractor at AFRL—back when it was still called Phillips Laboratory—working on directed energy technology.

In the decades since then, directed energy technologies have advanced to help our military counter and defeat modern threats like unmanned aerial systems.

New Mexicans have been at the center of this work.

D.E. systems like the LOCUST laser weapon system are being built right here in Albuquerque at BlueHalo's first dedicated manufacturing center.

Last year, AFRL opened a brand new, 12,000-square-foot High Power Electromagnetic Effects and Modeling Center at Kirtland.

This upgraded facility will help researchers and military personnel test new high-power microwave, D.E., and space defense systems in virtual battlefield exercises.

And it will help assess the effects of microwave weapons on chips and electronic technology.

This was the 28th completed AFRL revitalization and development project at Kirtland since 2009—when I started in Congress.

And it was just the latest example of the ecosystem we have built to make New Mexico the Center of Excellence for Directed Energy.

Our development, testing, and evaluation ecosystem both at Kirtland and at White Sands Missile Range are truly unrivaled.

We have built a real competitive advantage in this growing field.

And our success is not limited to directed energy.

New Mexico's defense researchers also lead in development of space-based small satellite systems, stabilized precision optics, advanced radio frequency systems, and remote sensing technologies.

Our national labs and research universities are poised to play a large role in the advances in growing fields like artificial intelligence, cybersecurity, and quantum information science.

And thanks to all that hard work we have put in to help New Mexico stand out, we can and will compete for everything from future Space Force missions to advanced manufacturing facilities.

This is what I mean when I say that New Mexico can outcompete anyone if we invest in what makes us stand out. And now, let's talk about our outdoor recreation economy.

We all know that the Land of Enchantment stands out as one of the most beautiful places in the world.

But we have only recently begun to recognize the economic power of New Mexico's scenic landscapes, forests, and watersheds.

These places have sustained our rural communities for generations.

And yet, for decades, the phrase "outdoor recreation" was rarely included in any economic development plans.

That's changed.

We built a successful model for protecting and growing recreation opportunities – from places like the Organ Mountains-Desert Peaks to the Rio Grande del Norte.

We established an Outdoor Recreation Division within our state's Economic Development Department.

And communities in every corner of our state are planning for how to expand their outdoor recreation opportunities.

We also successfully stood up an Outdoor Equity Fund that is helping more of our kids experience outdoor activities on our public lands.

We put New Mexico on the national map in a rapidly growing economic sector because we invested real resources in a unique asset that makes our state stand out.

We stayed true to who we are as New Mexicans AND grew our economy.

That's the key.

As we continue our work to grow New Mexico's economy, it's important to also keep in mind why we're doing it.

It's NOT to become the next Denver or Seattle.

We are doing this work to unlock an economic future that's right for New Mexico.

At its core, that means unlocking the kind of high-quality careers and sustainable industries that New Mexicans can build their families around, in their home communities.

That starts with investing more of our resources in our people.

Our labor unions, universities, community colleges, non-profits, and many of you here are already working to invest in New Mexicans.

Giving them the tools they need to succeed in emerging and growing career fields.

I'm sure that those of you already doing this work will agree with me:

There is a lot of work left to do.

We need to grow apprenticeships and other proven work-based learning programs that provide on-the-job experiences and skills.

We need to throw out the idea that the only path to the middle class is a four year college degree.

It's just not true.

A college degree is important, yes.

I have one and many of you do.

But it isn't the only path.

There are high-quality, good-paying careers in the skilled trades that don't require a four year degree and the student loans that all too often come with it.

But there's something else that's holding back our economic success.

It's something we don't talk much about, but I want to talk about it today:

We have to tackle our state's low labor participation rates to unlock our full economic potential.

We cannot have an effective economic development strategy for all New Mexicans that ignores our labor participation rate.

Like with all things, there's no easy answer here.

Creating pathways for more New Mexicans to participate in the labor market requires tackling some of our biggest and longest running challenges:

- lagging literacy rates,
- healthcare and childcare shortages,
- inadequate infrastructure, and
- public safety.

Let's start with a hard truth.

We need to improve our kids' education and our public schools.

I am enormously proud to have secured the federal authorization that unlocked early childhood investments from the Land Grant Permanent Fund at the end of last year.

It will have a huge impact on New Mexico's future.

But if our children can't read, they can't succeed.

The data are clear: literacy is critical to labor participation, employment, and earning higher wages.

In New Mexico, our literacy rates remain too low.

We have to do better.

The realities here are similar to what I laid out for economic development:

- There's no single solution.
- No two communities and no two children are the same.
- And the only path forward must embrace our state's unique history, cultures, languages, and values—and invest in them as strengths.

We know that community schools, and culturally responsive and dual language education models are highly effective at helping all of our children succeed in the classroom.

But we have never deployed these models systemically throughout our public schools.

And we have never done enough to recruit and retain a homegrown and diverse education workforce.

If we want our state's economy to thrive, we need to give our kids the best possible path to succeed.

That starts with providing our educators a system in which they can succeed.

And it should end with actually following through on our state's responsibilities under the Yazzie-Martinez decision – with the programs and services that our students deserve and higher expectations for those students.

Another major contributor to our comparatively low labor participation rate stems from the shortage in health care and mental health care providers.

When you can't get your health or mental health condition diagnosed, much less treated, you can't work. And that's exactly what has happened to too many New Mexicans.

Struggling with untreated - and often undiagnosed - medical and mental health conditions, New Mexicans exit the workforce.

While Social Security Disability and other programs can provide for the immediate needs of some of these New Mexicans, we are leaving a disproportionate share of New Mexican families out of our economy for generations.

The answer: increase access to health care and mental health care.

Because no matter what anyone tells you, I know this: No one wants to stay sick.

It's up to us, as a state, to make sure everyone has the tools they need to get well, to bring them back into our economy, to provide for their families, and participate in our community.

Lack of access to childcare is also forcing many New Mexicans out of the workplace – and this has a particularly large impact on women.

To solve that, we have to continue our efforts to expand childcare access, build out early childhood infrastructure, and pay our childcare providers the wages they deserve for the services they provide.

Finally: We need to tackle our state's persistent challenges in infrastructure and public safety.

New Mexico will never be able to compete on an even playing field until we close our persistent gaps in access to everything from clean water to high-speed internet.

Too often, not being able to get to a job - whether that's physically or online - keeps New Mexicans out of the workforce.

We know that for women, in particular, access to high-speed internet can dramatically improve labor participation. Thankfully, we're delivering unprecedented levels of investment to New Mexico through major new laws that I fought to pass like the Infrastructure Law.

These investments are creating a once-in-a-generation opportunity to finally close those gaps and connect all New Mexicans to safer roads and transportation, clean drinking water, and affordable, high-speed internet.

Now, let's talk public safety.

Our kids should be safe when playing at the playground, attending school, or going to the movies.

You should be able to park your car without worrying about it being stolen.

But that isn't the case - YET.

Many of you are working to address these challenges locally.

And I will continue working to deliver the resources needed at the federal level.

Last Congress, I was one of the lead negotiators that wrote and passed the Safer Communities Act – the most significant public safety and gun violence legislation in nearly three decades.

This Congress, I am fighting to establish a new federal fentanyl tracking system and working to remove barriers to access for lifesaving medications like buprenorphine.

Finally, I am leveraging my seat on the Appropriations Committee to steer federal resources to support our law enforcement officers, our housing agencies, and our addiction treatment providers.

For example, I have secured federal resources to:

- Expand the Gunshot Detection System for the Albuquerque Police Department,
- Deliver a Rapid DNA Machine for the Doña Ana County Sheriff's Office,
- Scale trauma-informed first responder programs like the Albuquerque Community Safety Department and the Gateway Center,
- And ensure All Faiths can conduct forensic interviews of children who survived or witnessed a crime.

Those are just a few examples of funding I have secured to support law enforcement and community safety all across our state.

Each one of these investments will make a real difference.

But none of them will cut crime alone.

Because there are no simple or fast fixes to the underlying causes of violent crime and addiction.

But one thing I know about New Mexicans is that we work hard and we care about our communities.

Not all of us in this room will see eye-to-eye on how we solve New Mexico's challenges.

But there will be times when we can all be right at the same time.

I believe that every New Mexican who works hard to provide for their family deserves a living wage.

But what a living wage is can be different in one community from another.

All of us should be able to care for a loved one when they're sick.

But it's also hard for a business to function when it's down an employee who is out to do that work.

We might have disagreements on these or other points.

We might not agree on the exact next steps to deliver a stronger economic future for our state.

But our North Star is the same: the future that New Mexico's kids deserve.

We all want this rising generation of New Mexicans to have a fair shot at success.

And we want them to be excited about building their careers and families in New Mexico.

We want to finally move from surviving to thriving as communities and as a state.

I am all in on working with each of you to deliver that future.

And now, I'm looking forward to taking your questions and ending this speech!

Thank you.