

Winter Magazine 2020

New Mexico Notes by Ruben Baca

A sigh of relief in Santa Fe. Things don't look quite as bad as the bean counters have been predicting. Revenue for fiscal year 2022, which begins in July 2021, is now projected to be between \$6.8 billion and \$7.6 billion, according to the new estimates. In June, economists had estimated that figure at only \$5.9 billion.

The current state budget is \$7.2 billion so we're on track to avoid big budget cuts. State reserves are expected to swell to over 29 percent or \$2.1 billion as New Mexico heads into the next budget year. That budget gets hammered out at the legislative session in January.

While the budget news is less gloomy, we still have heavy lifting to do to get people back to work:

New Mexico's unemployment rate was 11.3 percent in August, down from 12.7 percent in July 2020 and up from 4.8 percent in August 2019. New Mexico's labor force dropped to 895,468 in August 2020. This was an over-the-year decrease of 61,780. The labor force participation rate also dropped to 54.3 percent. This was the good news; now comes the bad news.

Governor Michelle Lujan Grisham announced on Tuesday, October 27th the state of New Mexico will implement, and in some cases reimplement, several public health regulations later in the week to stem the alarming rise of COVID-19 illnesses statewide.

The governor also reiterated her stark warnings from recent weeks – As COVID-19 infections have spread rapidly throughout all regions of the state, including an increase in COVID-19 hospitalizations – that New Mexico may in the near future be compelled to re-enact even more stringent public health controls to blunt the spread of the highly infectious and potentially lethal virus, which has already killed almost 1,000 New Mexicans.

“Without a vaccine, we have only a few tools against this awful, invisible enemy,” said Gov. Lujan Grisham. *“We must wear our masks. We must avoid large groups of people. We must limit our travel outside of the home, particularly our time in enclosed indoor spaces. When we do these things, we can crush the virus, and we protect our families, our communities and our state from being overrun by illness. But the virus is booming in New Mexico right now. The increases we've seen here are some of the worst in the entire United States this fall. This kind of overwhelming and dramatic statewide spread signals one thing: Too many of us, succumbing to COVID fatigue, are no longer using those tools. We're no longer taking those precautions. We are giving the virus too many opportunities to spread. And the enemy is taking advantage.”*

“When the community spread of the virus becomes uncontrollable – and we are fast approaching that point – our only option is to simply shut down those opportunities for the virus. We've made so much progress to sustain re-openings and our limited, safe in-person

learning efforts – but that progress is rapidly disappearing. Rollbacks will mean more economic turmoil for so many workers and business owners in our state who have already suffered and sacrificed so much. But it is our only chance to prevent more devastating illness and to save lives. No one wants to come to that point. I detest the very thought of it. We have got to turn it around and fast. So I once again urge, with my whole heart, that New Mexicans in every corner of the state, city leaders, county leaders, business leaders, community leaders all take up the mantle of fighting this invisible enemy, of requiring and encouraging safe behavior, of asking more of ourselves to protect New Mexico. The crisis is not over. The virus is still with us. Let's step it up, all together, once again.”

The state has missed its reopening gating criteria - a measure of the spread of the virus that signals whether additional day-to-day activity is safe and can be permitted – for several weeks. Absent an improvement in those data, the state of New Mexico will once again restrict indoor dining service and significantly roll back maximum occupancy allowances at other retail and dining establishments.

The state’s operative emergency public health order will expire Friday, Oct. 16; it will be extended, with amendments.

The governor and state health officials will, effective Friday, Oct. 16, append the following changes to the public health order and associated public health guidance documents:

TEMPORARY CLOSING TIME: Any food or drink establishment in New Mexico serving alcohol must close at 10:00 p.m. each night. The governor’s Economic Recovery Council, which has advised her administration on re-opening strategies to strengthen and sustain the state’s workforce and economy through this crisis, made the recommendation for this mandatory closing time.

“New Mexico hotels and restaurants and our hospitality employees have suffered more from COVID than any other sector,” said Allan Affeldt, hotel and restaurant owner and member of the Economic Recovery Council. “In spite of that, the overwhelming majority of hotels and restaurants are in support of the state’s COVID-Safe Practices and are doing our best to keep our guests and staff safe so our economy can recover faster. Unfortunately, there are some restaurants and bars that blatantly disregard public safety by operating late and in gross violation of safe practices and common sense. These business owners threaten the survival of all businesses in the state and the health of their customers and staff. These problems nearly all occur after hours, when some restaurants are simply acting as bars, where spread of the virus is not inhibited. Because of this, I and many of my fellow hotel and restaurant operators are in full support of a temporary limit on operating hours for late-night restaurants and bars. Together we can get all New Mexico businesses open sooner if we take these simple steps to help limit viral spread.”

The Governor briefed the state on the fresh coronavirus outbreak, saying “we are in uncharted waters” and warning increased restrictions could come soon if the virus is not contained.

While the Governor was chastising the public for not following steps to contain the virus, social media was questioning her administration's inability to stop major COVID outbreaks at jails, prisons and homeless facilities.

Human Services Secretary Dr. David Scrase noted during Friday's briefing that he was aware of outbreaks at homeless shelters around the nation in the spring, yet New Mexico is now suffering those same outbreaks which could spread easily to the general population.

I wish all of you a very Merry Christmas and a prosperous and safe New Year. Let's hope it is much better for all!