

Tracking Federal Stimulus Funds

Several new developments occurred for LFC’s seventh monthly installment of the federal stimulus tracking update. The executive continues to spend from the state fiscal recovery fund and this month made several purchases related to standing up their new grants tracking unit. The Department of Finance and Administration submitted its first annual report on the use of state fiscal recovery funds to the federal government but did not include information on further plans for the use of the funds, promotion of equitable outcomes, labor practices, use of evidence, and several other federal report requirements. Other states provided much more detail in their reports. Additionally, unemployment insurance is likely to increase due to historically high unemployment rates caused by the pandemic which was originally predicted in a May 2021 LFC Policy Spotlight on unemployment insurance.

As recommended in that May 2021 LFC Policy Spotlight, the state should consider legislatively removing 2020 from the calculation that partially determines the rate employers pay for unemployment insurance, among other options. In September, the state met the use-it or lose-it deadline for the federal emergency rental assistance program and will not have to return funding to U.S. Treasury. Lastly, the federal government released more information on state and local government fiscal recovery fund allocations to tribal governments.

The executive spent \$682.4 million of state fiscal recovery funds and encumbered another \$4.3 million. The primary expenses remain replenishing the trust fund, paying back the federal unemployment insurance loan, and prizes for vaccine lottery winners. The Department of Workforce Solutions received \$5 million for its Return to Work initiative, and New Mexico State University also received \$5 million to support chile farmworkers. Additional amounts have been spent or encumbered with Agenda LLC for vaccine promotion and incentives.

DATE: October 28, 2021

PURPOSE OF HEARING:
Update on budgeting and use of federal stimulus funds

WITNESS: LFC staff

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EXPECTED OUTCOME:
Informational

Table 1. Spending From ARPA State Fiscal Recovery Fund

Spent or Encumbered	Amount	Purpose
Spent	\$656.6 million	Replenish the Unemployment Insurance (UI) Trust Fund and pay back the federal UI loan
Spent	\$10 million	Vaccine lottery winners - \$5 million for the grand prize and \$5 million for \$250 thousand each to 20 weekly regional vaccine lottery winners
Spent	\$5 million	Department of Workforce Solutions for the July 2021 Return to Work initiative
Spent	\$5 million	New Mexico State University for chile farmworkers
Spent	\$3.8 million	Vaccine Incentive Funds DOH and DFA
Spent	\$2 million	Agenda LLC vaccine promotion
Spent	\$3.4 thousand	miscellaneous purchases
Encumbered	\$4 million	Remainder of Agenda LLC’s contract
Encumbered	\$269.1 thousand	Salesforce grants management software
Encumbered	\$17 thousand	Dell laptops for federal grants bureau at the Department of Finance and Administration
Total	\$686.7 million	

Source: SHARE

Table 2. Reporting Requirements for State Fiscal Recovery Funds

U.S. Department of Treasury Minimum Reporting Requirements	Did New Mexico's Plan Contain it?
Executive Summary	Yes
Use of Funds	Yes
Promoting Equitable outcomes	No
Community Engagement	Yes
Labor Practices	No
Use of Evidence	No
Table of Expenses by Expenditure Category	Yes
Project Inventory	No
Performance Report	No
Required Performance Data	No
Ineligible Activities: Tax Offset Provisions	No

Source: U.S. Dept. of Treasury, DFA

DFA's annual report to U.S. Treasury on its use of state fiscal recovery funds appears incomplete and left some questions unanswered. The Coronavirus State and Local Fiscal Recovery Funds, authorized by the *American Rescue Plan Act of 2021* (ARPA), allocated \$1.75 billion to New Mexico. The federal government requires states to submit annual Recovery Plan Performance Reports which include minimum reporting requirements. New Mexico's plan did not provide seven of the 11 minimum requirements (see Appendix C for New Mexico's report). While there are no apparent consequences for failed compliance, the public and the Legislature lack a clear plan from the executive for the use of these funds and how the executive proposes to ensure accountability and transparency.

Other states and entities submitted more robust plans, including key priorities (Colorado, Navajo Nation), timelines (Massachusetts), strategies to engage and serve disproportionately impacted communities (Pennsylvania, Utah, and Colorado), and the use of evidence in funding decisions (American Samoa and Maine). For example, Colorado's performance report outlined a plan that splits funding equally between three key areas: 1. Fiscal integrity and budget stabilization; 2. Affordable housing and homeownership, mental and behavioral health and workforce development; 3. Recovery, relief, and job creation, including investments in infrastructure, parks, and agriculture. Colorado also established a recovery office to coordinate across agencies and establish goals and performance measures for its state's fiscal recovery funds.

Given unemployment insurance trust fund balances, employer tax rates are projected to increase. The unemployment insurance (UI) trust fund currently has a balance of approximately \$397.4 million, from which an estimated 25 thousand claimants are drawing benefits. Given employment projections, the fund is expected to drop to a low of \$345 million at the end of the first quarter of 2022 before rebounding in FY24 (see Appendix B for trust fund projections).

Employer UI taxes are partially based on a reserve factor, which can float between 0.5 and 4, and is calculated annually based on the solvency and adequacy of the state's UI trust fund. For 2020, the reserve factor was 1.6528, indicating that balances were less than adequate. During the first special legislative session of 2020, the Legislature held the reserve factor constant for 2021 (Section 51-1-11 NMSA 1978).

To mitigate additional increases in employer taxes that are already scheduled to rise at the beginning of 2022, the state could eliminate 2020 from reserve factor calculations. The calculation for the reserve factor includes information about the average of the five highest years of benefits paid in the last 25 years (NMAC 1978 11.3.400.427, see appendix N). Given the unprecedented high amounts of benefits paid in 2020, the reserve factor calculation would likely be impacted for up to 25 years if 2020 unemployment data is not excluded. Unemployment benefits in 2020 are unrepresentative of a typical recession and arguably should not be a trust fund benchmark. The Legislature can address the issue through legislation or the department can address the issue through rule.

Table 3. Reserve Factor

Less than adequate reserves	=	Between 1.0001 and 4.0000
Adequate reserves	=	1.0000
More than adequate reserves	=	Between .5000 and .9999

Source: WSD

Tribal governments received more than originally reported from ARPA recovery funds. Information recently made available by the federal government’s Pandemic Response Accountability Committee indicates New Mexico’s tribes and pueblos will receive approximately \$2.2 billion from fiscal recovery funds, including nearly \$1.9 billion to the Navajo Nation. An October 15, 2021 press release from the Navajo Nation stated planned expenditures include \$200 million for broadband, \$200 million for water and wastewater, \$160 million for power lines, \$140 million for bathrooms, and \$80 million for housing. Other planned expenditures were for economic development, education, tourism, social services, and hardship payments. Available information indicates other tribes and pueblos plan to spend their recovery funds on educational assistance and economic relief payments to enrolled members.

The state met the federal “use it or lose it” deadline for its first round of emergency rental assistance program funds. By September 30, 2021, the state reached its 65 percent obligation requirement. The Department of Finance and Administration spent approximately \$55 million on nearly 24 thousand awards to about 15 thousand households. The department used some program funds for short-term housing support, such as hotels for homeless individuals and families. An additional \$16 million was spent on housing stability services such as grants to nonprofits to help identify and target services to at-risk households. Lastly, an additional \$30 million was obligated through letters of intent to landlords. The state has not begun spending down the \$158 million provided by the federal government through the second round of emergency rental assistance program funds awarded through ARPA.

The state can apply for \$133 million in ARPA capital projects money. The U.S. Treasury released guidance on appropriate uses of this funding. “Presumptively eligible” projects include:

- Broadband infrastructure;
- Devices and equipment to facilitate broadband internet access, including computers;
- Multi-Purpose Community Facility Projects which include:
 - Projects to construct or improve full-service community schools
 - Projects to construct or improve libraries that provide public access to the internet and;
- Projects to construct or improve community health centers.

Notably, “general infrastructure projects, such as highways, bridges, transit systems, and ports, are ineligible under the Capital Projects Fund program.” States are required to provide a plan describing how they intend to use allocated funds consistent with guidance before receiving the funds. U.S. Treasury’s portal to request funding is now open with a deadline of December 27, 2021. The grant plan should be submitted by September, 2022. There are undesignated revenues to the state similar to the state relief fund and they should be appropriated by the Legislature.

Table 4. American Rescue Plan Act Tribal Allocations From State and Local Fiscal Recovery Funds

(thousands)

Jicarilla Apache Nation	\$20,225.5
Mescalero Apache Tribe	\$26,026.4
Ohkay Owingeh Tribal	\$15,574.5
Pueblo De Cochiti	\$7,604.0
Pueblo De San Ildefonso	\$5,229.6
Pueblo Of Isleta	\$24,867.2
Pueblo Of Acoma	\$25,830.9
Pueblo Of Jemez	\$19,825.1
Pueblo Of Laguna	\$42,689.1
Pueblo Of Nambe	\$6,356.3
Pueblo Of Picuris	\$3,390.6
Pueblo Of Pojoaque	\$4,242.6
Pueblo Of Sandia	\$3,744.4
Pueblo Of Santa Ana	\$6,300.4
Pueblo Of Tesuque	\$4,214.7
Pueblo Of Zia	\$5,955.9
San Felipe Pueblo	\$19,648.2
Santa Clara Pueblo	\$7,780.9
Santo Domingo Pueblo	\$27,437.1
Taos Pueblo	\$13,814.6
Zuni Tribe	\$60,264.2
The Navajo Nation (Arizona)*	\$1,861,554.5
Total	\$2,212,576.6

Source: Pandemicoversight.gov

*Navajo Nation and PandemicOversight.gov report different amounts.

Table 5. New Mexico’s Emergency Rental Assistant Spending from CRRSA Allocation

Amount Spent/ Obligated (in millions)	Purpose
\$55	24 thousand awards to 15 thousand households
\$16	Housing stability services
\$30	Obligated through Letters of Intent

Source: DFA

Appendix A: Stimulus Funding by Category to All New Mexico Governments, Businesses, Individuals, and Other Entities

(as of October 20, 2021, in thousands)

	ARPA	CRRSA	CARES	Other Acts	Grand Total
Direct Payments to Individuals	\$2,585,638	\$939,252	\$1,787,812	\$276,869	\$5,589,571
Business Support	\$56,234		\$3,681,314		\$3,737,548
Additional Unemployment Benefits	\$275	\$650	\$3,296,154	\$233,000	\$3,530,079
State General	\$1,751,543		\$1,250,000		\$3,001,543
K-12	\$1,018,675	\$463,069	\$130,837		\$1,612,581
Local General	\$704,730				\$704,730
Healthcare Providers	\$10,794	\$984	\$596,387	\$1,176	\$609,340
Housing and Rental Assistance	\$269,237	\$205,061	\$71,656		\$545,954
Higher Education	\$244,927	\$120,661	\$75,316		\$440,904
Childcare and Early Ed	\$323,727	\$82,158	\$29,443		\$435,328
Covid Testing And Vaccination	\$183,365	\$140,299	\$8,632	\$86,071	\$418,368
Airports, Roads and Other Transportation	\$72,951	\$105,036	\$158,846		\$336,832
Medicaid FMAP				\$653,702	\$653,702
Food Assistance	\$18,848	\$9,378	\$31,590	\$189,880	\$249,695
State Capital	\$133,067				\$133,067
DOH: Other	\$30,795	\$47,940	\$6,250	\$10,783	\$95,768
FEMA	\$93,872		\$1,486		\$95,358
Substance Use / Mental Health Grants	\$16,999	\$30,188	\$2,000		\$49,186
Econ. Development	\$2,283		\$20,640		\$22,923
Older Americans Support	\$12,570	\$1,866	\$6,585	\$1,556	\$22,576
Head Start	\$8,306	\$2,064	\$6,192		\$16,562
UI Admin and Reemployment	\$1,228		\$6,645	\$5,263	\$13,136
Justice and Courts		\$117	\$9,451		\$9,568
Income Supports for TANF Recpt.	\$6,385				\$6,385
Broadband	\$6,085				\$6,085
Museum, Arts and Library Supports	\$3,927		\$1,325		\$5,252
Abuse and Violence Prevention	\$3,270	\$798	\$610		\$4,677
Election Support			\$3,890		\$3,890
Foster Care Supports		\$2,147			\$2,147
UNM HSC other			\$191		\$191
Grand Total	\$7,559,730	\$2,151,667	\$11,183,250	\$1,458,300	\$22,352,946

* Staff estimates the increased FMAP at apprx. \$75 million per quarter. FFIS estimates show \$136.8 million in increased FMAP to New Mexico through 6/2020 but stops including the FMAP afterward. Therefore, the estimate in the table adds an additional \$375 million (or five quarters of \$75 million each).

Source: FFIS

Appendix B: UI Trust Fund Projection Scenario
UI TRUST FUND SOURCES AND USES

(in millions)

	FY22				FY23				FY24			
	2021Q3	2021Q4	2022Q1	2022Q2	2022Q3	2022Q4	2023Q1	2023Q2	2023Q3	2023Q4	2024Q1	2024Q2
BEGINNING BALANCE	\$464.9	\$420.6	\$374.7	\$345.0	\$378.0	\$390.3	\$378.8	\$360.0	\$390.3	\$399.7	\$388.0	\$368.9
REVENUE												
Expected UI Tax Revenues	\$40.0	\$26.5	\$20.7	\$80.8	\$61.0	\$42.7	\$31.7	\$78.5	\$60.0	\$41.2	\$29.9	\$86.6
TOTAL REVENUE	\$40.0	\$26.5	\$20.7	\$80.8	\$61.0	\$42.7	\$31.7	\$78.5	\$60.0	\$41.2	\$29.9	\$86.6
TOTAL EXPENDITURES	\$84.3	\$72.5	\$50.3	\$47.8	\$48.8	\$54.2	\$50.5	\$48.2	\$50.6	\$52.8	\$49.0	\$49.4
ENDING BALANCE	\$420.6	\$374.7	\$345.0	\$378.0	\$390.3	\$378.8	\$360.0	\$390.3	\$399.7	\$388.0	\$368.9	\$406.2

Source: LFC and WSD Baseline Trust Fund Projections

[Recipient Name]

Recovery Plan

State and Local Fiscal Recovery Funds

202x Report

Note: The Recovery Plan Performance Report will provide the public and Treasury information on the projects that recipients are undertaking with program funding and how they are planning to ensure program outcomes are achieved in an effective, efficient, and equitable manner. While this template includes the minimum requirements for the Recovery Plan, each recipient is encouraged to add information to the plan that they feel is appropriate to provide information to their constituents on efforts they are taking to respond to the pandemic and promote an equitable economic recovery.

Each jurisdiction may determine the general form and content of the Recovery Plan, as long as it meets the reporting requirements, and recipients are encouraged to tailor this template to best meet their needs. Use of infographics, tables, charts, pictures, case studies, and other explanatory elements are encouraged.

Notes on using this template

All States and territories, and metropolitan cities and counties with a population that exceeds 250,000 residents that are recipients of State and Local Fiscal Recovery Funds (SLFRF) awards are required to produce a Recovery Plan Performance Report (the "Recovery Plan"). The Recovery Plan provides information on the recipient's projects and how they plan to ensure program outcomes are achieved in an effective and equitable manner. It will include key performance indicators identified by the recipient and some mandatory indicators identified by Treasury. Each annual Recovery Plan must be posted on the public-facing website of the recipient by or on the same date that the recipient submits the report to Treasury.

The initial Recovery Plan will cover the period from the date of award to July 31, 2021 and must be submitted to Treasury by August 31, 2021. Thereafter, the Recovery Plan will cover a 12-month period and recipients will be required to submit the report to Treasury within 30 days after the end of the 12-month period (by July 31).

Annual Report	Period Covered	Due Date
1	Award Date – July 31, 2021	August 31, 2021
2	July 1, 2021 – June 30, 2022	July 31, 2022
3	July 1, 2022 – June 30, 2023	July 31, 2023
4	July 1, 2023 – June 30, 2024	July 31, 2024
5	July 1, 2024 – June 30, 2025	July 31, 2025
6	July 1, 2025 – June 30, 2026	July 31, 2026
7	July 1, 2026 – December 31, 2026	March 31, 2027

Instructions:

This document is meant as a suggested template for applicable SLFRF recipients to assist them in submitting their Recovery Plan. Recipients should consult the SLFRF Guidance on Recipient Compliance and Reporting Responsibilities (Reporting Guidance) located at <https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf> for detailed guidance on the submission of this report.

Treasury encourages Recipients to tailor this report to best meet their needs in terms of format and content. Treasury recommends the use of infographics, tables, charts, pictures, case studies, and other explanatory elements in describing their programs.

Text in italics represents the requirements from the Reporting Guidance and is meant to serve as a reference as recipients prepare their Recovery Plan. This instructions page and the *text in italics* should be removed before the final transmitted report is published and submitted to Treasury.

Additional information around Expenditure Categories is located in Appendix 1 of the Reporting Guidance.

For More Information

More information about the State and Local Fiscal Recovery Fund program and associated reporting requirements are located at www.treasury.gov/SLFRP.

Questions on reporting, eligible uses, or other general topics should be directed to SLFRP@treasury.gov.

[Recipient's Name]
202x Recovery Plan

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GENERAL OVERVIEW

Executive Summary

In this section, provide a high-level overview of the jurisdiction's intended and actual uses of funding including, but not limited to: the jurisdiction's plan for use of funds to promote a response to the pandemic and economic recovery, key outcome goals, progress to date on those outcomes, and any noteworthy challenges or opportunities identified during the reporting period. See Section C(1) on page 24 of the Reporting Guidance for additional information.

Uses of Funds

Describe in further detail your jurisdiction's intended and actual uses of the funds, such as how your jurisdiction's approach would help support a strong and equitable recovery from the COVID-19 pandemic and economic downturn. Describe any strategies employed to maximize programmatic impact and effective, efficient, and equitable outcomes. Given the broad eligible uses of funds and the specific needs of the jurisdiction, explain how the funds would support the communities, populations, or individuals in your jurisdiction. Address how you are promoting each of the following Expenditure Categories, to the extent they apply:

- a. Public Health (EC 1)*
- b. Negative Economic Impacts (EC 2)*
- c. Services to Disproportionately Impacted Communities (EC 3)*
- d. Premium Pay (EC 4)*
- e. Water, sewer, and broadband infrastructure (EC 5)*
- f. Revenue Replacement EC 6)*

Where appropriate, include information on your jurisdiction's use (or planned use) of other federal recovery funds including other programs under the American Rescue Plan such as Emergency Rental Assistance, Housing Assistance, and so forth, to provide broader context on the overall approach for pandemic recovery.

See Section C(2) on page 24 of the Reporting Guidance for additional information.

Promoting equitable outcomes

In this section, describe efforts to date and intended outcomes to promote equity. Each annual report to follow must provide an update, using qualitative and quantitative data, on how the recipients' approach achieved or promoted equitable outcomes or progressed against equity goals during the performance period.

Describe efforts to promote equitable outcomes, including how programs were designed with equity in mind. Include how your jurisdiction will consider and measure equity at the various stages of the program, including:

- a. Goals: Are there particular historically underserved, marginalized, or adversely affected groups that you intend to serve?*
- b. Awareness: How equal and practical is the ability for residents or businesses to become aware of the services funded by the SLFRF?*
- c. Access and Distribution: Are there differences in levels of access to benefits and services across groups? Are there administrative requirements that result in disparities in ability to complete applications or meet eligibility criteria?*
- d. Outcomes: Are intended outcomes focused on closing gaps, reaching universal levels of service, or disaggregating progress by race, ethnicity, and other equity dimensions where relevant for the policy objective?*

Describe how your jurisdiction's planned or current use of funds prioritizes economic and racial equity as a goal, names specific targets intended to produce meaningful equity results at scale, and articulates the strategies to achieve those targets. Explain how your jurisdiction's overall equity strategy translates into the specific services or programs offered by your jurisdiction in the following Expenditure Categories:

- a. Negative Economic Impacts (EC 2): assistance to households, small businesses, and non-profits to address impacts of the pandemic, which have been most severe among low-income populations. This includes assistance with food, housing, and other needs; employment programs for people with barriers to employment who faced negative economic impacts from the pandemic (such as residents of low-income neighborhoods, minorities, disconnected youth, the unemployed, formerly incarcerated people, veterans, and people with disabilities); and other strategies that provide disadvantaged groups with access to education, jobs, and opportunity.*
- b. Services to Disproportionately Impacted Communities (EC 3): services to address health disparities and the social determinants of health, build stronger neighborhoods and communities (e.g., affordable housing), address educational disparities (e.g., evidence-based tutoring, community schools, and academic, social-emotional, and mental health supports for high poverty schools), and promote healthy childhood environments (e.g., home visiting, child care).*

Describe your jurisdiction's efforts to date and intended outcomes to promote equity using qualitative and quantitative data on how the jurisdiction's approach achieved or promoted equitable outcomes or progressed against equity goals. Describe any constraints or challenges that impacted project success in terms of increasing equity.

Describe the geographic and demographic distribution of funding, including whether it is targeted toward traditionally marginalized communities.

See Section C(3) on pages 24 and 25 of the Reporting Guidance for additional information.

Community Engagement

Describe how your jurisdiction's planned or current use of funds incorporates written, oral, and other forms of input that capture diverse feedback from constituents, community-based organizations, and the communities themselves. Where relevant, this description must include how funds will build the capacity of community organizations to serve people with significant barriers to services, including people of color, people with low incomes, limited English proficiency populations, and other traditionally underserved groups.

See Section C(4) on page 25 of the Reporting Guidance for additional information.

Labor Practices

Describe workforce practices on any infrastructure projects being pursued (EC 5). How are projects using strong labor standards to promote effective and efficient delivery of high-quality infrastructure projects while also supporting the economic recovery through strong employment opportunities for workers? For example, report whether any of the following practices are being utilized: project labor agreements, community benefits agreements, prevailing wage requirements, and local hiring.

See Section C(5) on page 25 of the Reporting Guidance for additional information.

Use of Evidence

Identify whether SLFRF funds are being used for evidence-based interventions and/or if projects are being evaluated through rigorous program evaluations that are designed to build evidence. Specifically, in this section, recipients should describe their overall approach for using evidence and evaluation, including how a Learning Agenda (either narrowly focused on SLFRF or broadly focused on the recipient's broader policy agenda) could support their overarching evaluation efforts in order to create an evidence-building strategy for their jurisdiction. However, detailed evidence information for each project should be included in the Project Inventory (see details in the Project Inventory section below).

See Section C(6) on page 26 of the Reporting Guidance for additional information.

Table of Expenses by Expenditure Category

In this section, list the amount of funds used in each Expenditure Category. The table should include cumulative expenses to date within each category, and the additional amount spent within each category since the last annual Recovery Plan.

Jurisdictions may modify the table as needed by deleting unused rows where they have not expended any funds or by adding columns to more clearly characterize their program expenditures over time.

For the initial Recovery Plan, the amounts listed for “Cumulative expenditures to date” and “Amount spent since last Recovery Plan” will be equal.

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
1	Expenditure Category: Public Health		
1.1	COVID-19 Vaccination		
1.2	COVID-19 Testing		
1.3	COVID-19 Contact Tracing		
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)		
1.5	Personal Protective Equipment		
1.6	Medical Expenses (including Alternative Care Facilities)		
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency		
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)		
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19		
1.10	Mental Health Services		
1.11	Substance Use Services		
1.12	Other Public Health Services		
2	Expenditure Category: Negative Economic Impacts		
2.1	Household Assistance: Food Programs		
2.2	Household Assistance: Rent, Mortgage, and Utility Aid		
2.3	Household Assistance: Cash Transfers		
2.4	Household Assistance: Internet Access Programs		
2.5	Household Assistance: Eviction Prevention		
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers		

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)		
2.8	Contributions to UI Trust Funds*		
2.9	Small Business Economic Assistance (General)		
2.10	Aid to nonprofit organizations		
2.11	Aid to Tourism, Travel, or Hospitality		
2.12	Aid to Other Impacted Industries		
2.13	Other Economic Support		
2.14	Rehiring Public Sector Staff		
3	Expenditure Category: Services to Disproportionately Impacted Communities		
3.1	Education Assistance: Early Learning		
3.2	Education Assistance: Aid to High-Poverty Districts		
3.3	Education Assistance: Academic Services		
3.4	Education Assistance: Social, Emotional, and Mental Health Services		
3.5	Education Assistance: Other		
3.6	Healthy Childhood Environments: Child Care		
3.7	Healthy Childhood Environments: Home Visiting		
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System		
3.9.	Healthy Childhood Environments: Other		
3.10	Housing Support: Affordable Housing		
3.11	Housing Support: Services for Unhoused persons		
3.12	Housing Support: Other Housing Assistance		
3.13	Social Determinants of Health: Other		
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators		
3.15	Social Determinants of Health: Lead Remediation		
3.16	Social Determinants of Health: Community Violence Interventions		
4	Expenditure Category: Premium Pay		
4.1	Public Sector Employees		
4.2	Private Sector: Grants to other employers		
5	Expenditure Category: Infrastructure		
5.1	Clean Water: Centralized wastewater treatment		
5.2	Clean Water: Centralized wastewater collection and conveyance		

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
5.3	Clean Water: Decentralized wastewater		
5.4	Clean Water: Combined sewer overflows		
5.5	Clean Water: Other sewer infrastructure		
5.6	Clean Water: Stormwater		
5.7	Clean Water: Energy conservation		
5.8	Clean Water: Water conservation		
5.9	Clean Water: Nonpoint source		
5.10	Drinking water: Treatment		
5.11	Drinking water: Transmission & distribution		
5.12	Drinking water: Transmission & distribution: lead remediation		
5.13	Drinking water: Source		
5.14	Drinking water: Storage		
5.15	Drinking water: Other water infrastructure		
5.16	Broadband: "Last Mile" projects		
5.17	Broadband: Other projects		
6	Expenditure Category: Revenue Replacement		
6.1	Provision of Government Services		
7	Administrative and Other		
7.1	Administrative Expenses		
7.2	Evaluation and data analysis		
7.3	Transfers to Other Units of Government		
7.4	Transfers to Nonentitlement Units (States and Territories only)		

See Section C(7) on page 27 of the Reporting Guidance for additional information.

Project Inventory

In this section, jurisdictions should provide a description of each project undertaken. See Section C(8) on page 27 of the Reporting Guidance for additional information. Below is an example of how to present the information noted in the Reporting Guidance, which incorporates project details as well as evidence and performance measure information outlined in the relevant sections above. This information should be replicated for all of the jurisdiction's projects.

Example Project

Project [Identification Number]: [Project Name]

Funding amount: [Funding amount]

Project Expenditure Category: [Category number, Category Name]

Project overview

- *A description of the project that includes an overview of the main activities of the project, the approximate timeline, primary delivery mechanisms and partners, if applicable, and intended outcomes.*
- *Link to the website of the project if available*
- *How project contributes to addressing climate change (for infrastructure projects under EC 5)*

Use of Evidence

- *Briefly describe the goals of the project, and whether SLFRF funds are being used for evidence-based interventions, the evidence base for the interventions, and/or if projects are being evaluated through rigorous program evaluations that are designed to build evidence. If a recipient is conducting a program evaluation in lieu of reporting the amount of spending on evidence-based interventions, they must describe the evaluation design (see Reporting Guidance for additional details that should be included).*
- *Identify the dollar amount of the total project spending that is allocated towards evidence-based interventions for each project in the Public Health (EC 1), Negative Economic Impacts (EC 2), and Services to Disproportionately Impacted Communities (EC 3) Expenditure Categories.*

See Section C(6) on page 26 of the Reporting Guidance for additional information.

Additional Projects

Project [Identification Number]: [Project Name]

Funding amount: [Funding amount]

Project Expenditure Category: [Category number, Category Name]

Performance Report

- *For the Project Inventories in Section 8, include key performance indicators for your jurisdiction's major SLFRF funded projects. Report key performance indicators for each project, or group projects with substantially similar goals and the same outcome measures. Jurisdictions may choose to include some indicators for each individual project as well as crosscutting indicators. Include both output and outcome measures. See Section C(9) on page 27 of the Reporting Guidance for additional information.*
- *In addition, you must include the mandatory performance indicators if your jurisdiction has projects in the relevant areas (this information may be included in each recipient's Recovery Plan as they determine most appropriate). Provide data disaggregated by race, ethnicity, gender, income, and other relevant factors, if possible. Data should be presented in a table and each annual report should include updated data for the performance period as well as prior period data.*
 - a. *Household Assistance (EC 2.2 & 2.5) and Housing Support (EC 3.10-3.12):*

- Number of people or households receiving eviction prevention services (including legal representation)
 - Number of affordable housing units preserved or developed
 - b. Negative Economic Impacts (EC 2):
 - Number of workers enrolled in sectoral job training programs
 - Number of workers completing sectoral job training programs
 - Number of people participating in summer youth employment programs
 - c. Education Assistance (EC 3.1-3.5):
 - Number of students participating in evidence-based tutoring programs
 - d. Healthy Childhood Environments (EC 3.6-3.9):
 - Number of children served by childcare and early learning (pre-school/pre-K/ages 3- 5)
 - Number of families served by home visiting
- See Section C(10) on page 27 of the Reporting Guidance for additional information.

Ineligible Activities: Tax Offset Provision (States and territories only)

For the initial reporting year, States and territories will report the following items related to the Tax Offset Provision 31 CFR 35.8. Baseline revenue or revenue-increasing covered charges are not required at this time.

Item	Amount
a. Revenue-reducing Covered Changes	\$

See Section C(11) on page 28 of the Reporting Guidance for additional information.

Additional guidance will be forthcoming for reporting requirements regarding the tax offset provision.

NEW MEXICO
Recovery Plan

State and Local Fiscal Recovery Funds
2021 Report

Executive Summary

New Mexico has one of the highest unemployment rates in the nation, it peaked in July 2020 at 12.5% and decreased to 7.6% in July 2021. Like many other states, the leisure and hospitality sectors were most affected by the pandemic. Labor markets continue to be impacted due to health and childcare concerns.

New Mexico's reliance on oil and gas and the impact of the Delta variant continues to be a risk to our economy. Governor Lujan Grisham has followed the lead of the federal government and is requiring all state employees to be vaccinated or tested weekly to help curb the spread of the virus and reducing the need for another shutdown.

New Mexico is focused on growing the state's economy to include more high-quality employment opportunities as well as improving the public education system by focusing on cradle to career initiatives. The state is committed to ensuring that the ARPA funds are focused in high-risk areas where crime and public health are most in need.

Uses of Funds

Non-Entitlement Units:

The following table represents the payments made directly to the Non-Entitlement Units within the state of New Mexico. A total of one hundred (100) Municipalities received a payment from the first tranche of funds. Of those Municipalities, one returned the funding to the state (Village of Folsom).

Coronavirus Local Fiscal Recovery Fund Distribution to Non-Entitlement Units (NEUs) of Local Government

NEU NAME	POPULATION ESTIMATE (2019)	PAYMENT SHARE	DUNS NUMBER
Alamogordo	31,980	\$3,952,892.00	086854825
Angel Fire	1,070	\$132,393.50	938549748
Anthony	9,239	\$1,141,106.00	194290685
Artesia	12,356	\$1,525,678.00	079338158
Aztec	6,369	\$788,056.50	038305991
Bayard	2,123	\$264,787.00	011320848
Belen	7,416	\$914,146.00	021238340

Bernalillo	10,477	\$1,292,413.00	025478801
Bloomfield	7,685	\$951,972.50	608376646
Bosque Farms	3,888	\$479,138.50	612615252
Capitan village	1,431	\$176,524.50	03-04-9789
Carlsbad	29,810	\$3,681,801.00	084475854
Carrizozo	935	\$113,480.00	076465020
Causey	98	\$12,609.00	117975155
Chama	992	\$119,784.50	046034179
Cimarron	881	\$107,175.50	150248367
Clayton	2,681	\$334,136.00	078335650
Cloudcroft	701	\$88,262.50	116253279
Clovis	38,319	\$4,734,644.50	066405168
Columbus	1,617	\$201,742.50	059655931
Corona	163	\$25,218.00	088313549
Corrales	8,696	\$1,071,757.00	069423218
Cuba	757	\$94,567.00	092668888
Deming	13,880	\$1,714,811.50	088313606
Des Moines	122	\$18,913.50	033769696
Dexter	1,243	\$151,307.00	031149714
Dora	121	\$18,913.50	144814188
Eagle Nest	251	\$31,522.50	103498155
Edgewood	6,107	\$756,534.50	103950643
Elephant Butte	1,310	\$163,916.00	167665509
Elida	176	\$25,218.00	024134108
Encino	78	\$12,609.00	959736497
Española	10,044	\$1,241,977.50	089307797
Estancia	1,571	\$195,438.00	030442511
Eunice	3,038	\$378,267.00	079564519
Floyd	110	\$18,913.50	148627883

Folsom	57	\$6,304.50	
Fort Sumner	897	\$113,480.00	054667688
Gallup	21,493	\$2,654,175.00	075760959
Grady	103	\$12,609.00	072210979
Grants	8,942	\$1,103,279.50	073391419
Grenville	29	\$6,304.50	not registered
Hagerman	1,220	\$151,307.00	078420691
Hatch	1,650	\$201,742.50	184369684
Hobbs	39,141	\$4,835,515.50	079339222
Hope	106	\$12,609.00	054891676
House	62	\$6,304.50	627142503
Hurley	1,176	\$145,002.50	090992785
Jal	2,117	\$264,787.00	052730215
Jemez Springs	267	\$31,522.50	938833233
Kirtland	601	\$75,653.50	06-170-3933
Lake Arthur	420	\$50,435.50	083154190
Las Vegas	12,919	\$1,595,027.00	021232723
Logan	979	\$119,784.50	Not registered
Lordsburg	2,398	\$296,309.50	006147680
Los Lunas	16,061	\$1,985,903.00	041067570
Los Ranchos de Albuquerque	6,108	\$756,534.50	182787408
Loving	1,393	\$170,220.50	799839803
Lovington	11,489	\$1,418,502.00	021231501
Magdalena	878	\$107,175.50	081959736
Maxwell	212	\$25,218.00	009266466
Melrose	629	\$75,653.50	192503662
Mesilla	1,828	\$226,960.50	037600025
Milan	3,669	\$453,920.50	830819004
Moriarty	1,860	\$226,960.50	047703640
Mosquero	85	\$12,609.00	002385052

Mountainair	873	\$107,175.50	964105142
Pecos	1,320	\$163,916.00	026869453
Peralta	3,584	\$441,312.00	959886115
Portales	11,610	\$1,437,415.50	040925463
Questa	1,755	\$214,351.50	158996467
Raton	5,938	\$731,316.50	032920121
Red River	463	\$56,740.00	089411029
Reserve	277	\$31,522.50	831331512
Rio Communities	4,552	\$561,096.50	079248785
Roswell	47,551	\$5,875,750.50	064121205
Roy	211	\$25,218.00	185658452
Ruidoso	7,901	\$977,190.50	014122873
Ruidoso Downs	2,574	\$315,222.50	012771101
San Jon	202	\$25,218.00	100632348
Santa Clara	1,761	\$220,656.00	105843523
Santa Rosa	2,636	\$327,831.50	097971337
San Ysidro	201	\$25,218.00	017155735
Silver City	9,386	\$1,160,019.50	079844171
Socorro	8,348	\$1,033,930.50	123499188
Springer	906	\$113,480.00	166352260
Sunland Park	17,978	\$2,219,168.00	147258029
Taos	5,929	\$731,316.50	122866882
Taos Ski Valley	71	\$6,304.50	116255373
Tatum	829	\$100,871.50	555461768
Texico	1,067	\$132,393.50	824689392
Tijeras	535	\$63,044.50	060620549
Truth or Consequences	5,753	\$712,403.50	079342838
Tucumcari	4,867	\$598,923.00	040927808
Tularosa	3,006	\$371,963.00	188840565
Vaughn	397	\$50,435.50	138566213
Virden	129	\$18,913.50	035285416
Wagon Mound	287	\$37,826.50	017354523

Willard	242	\$31,522.50	110119187
Williamsburg	408	\$50,435.50	146750133
New Mexico NEU Totals	510,071	\$63,044,539.50	

Unemployment Insurance:

The New Mexico Department of Workforce Solutions (DWS) received a total of \$656,571,532.63 for the purpose of replenishing the Unemployment Insurance (UI) Trust Fund as well as the necessary pay back for a federal loan issued by the U.S. Department of Labor to support the overwhelming surge of UI claimants during the COVID-19 pandemic.

The state's UI Trust Fund balance on Jan. 27, 2020, was \$460.1 million. Shortly thereafter, after the onset of the pandemic in March, the state's number of unemployment claimants increased by more than 1,300 percent in a matter of weeks. The economic impact of the pandemic pushed almost 200,000 individuals, at the peak, into the state's unemployment insurance system -- and the state was able to disburse almost \$4 billion to displaced workers and New Mexicans across the state amid the crisis. The number of claimants qualifying for state and federal unemployment benefits, however, contributed to the depletion of the trust fund by mid- September of 2020. The funds transferred to DWS were used to both complete the repayment of the federal loan and re-establish the trust fund to its pre-pandemic levels.

Community Engagement

A concentrated statewide effort to ensure community participation in vaccination efforts produced the **Vax 2 the Max** campaign, in which, the state developed two vaccine initiatives. The first campaign initiative distributed \$100 to residents who were vaccinated between June 14, 2021 - June 17, 2021. Engagement/vaccination events were also conducted statewide with the purpose of distributing gift cards or cash. The state developed a partnership with Agenda to distribute gift cards to those who were not receiving cash. Additionally, New Mexico determined that a second vaccination initiative would follow and created a lottery that vaccinated residents could opt into. The community engagement served to boost the vaccination rate within the state to allow for continued phased reopening. In total, the **Vax 2 the Max** campaign distributed \$8,376,030.18 to New Mexican's statewide via cash payments and electronic distribution of gift cards, and lottery. The result of this initiative is a higher number of vaccinated residents of the state, as well as boosting the economy as the funds are used locally by residents for necessary items.

Table of Expenses by Expenditure Category

NEW MEXICO CSLFRF EXPENDITURE DATA				
<u>Expenditure Category</u>	<u>APDX No. Ref</u>	<u>Title</u>	<u>Purpose</u>	<u>Expended</u>
Administrative	7.4	Transfers to Non-entitlement Units (States and territories only)	Non-entitlement Unit disbursements	\$ 63,038,235.00
Negative Economic Impacts	2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers	Unemployment	\$ 656,571,532.63
Public Health	1.1	COVID-19 Vaccination	Lottery payment	\$ 2,021,719.75
Public Health	1.1	COVID-19 Vaccination	\$100 vaccine public payment initiative	\$ 1,458,110.43
Public Health	1.1	COVID-19 Vaccination	\$100 vaccine public payment initiative	\$ 3,000,000.00
Public Health	1.1	COVID-19 Vaccination	\$100 vaccine public payment initiative	\$ 600,000.00
Public Health	1.1	COVID-19 Vaccination	\$100 vaccine public payment initiative	\$ 696,200.00
Public Health	1.1	COVID-19 Vaccination	\$100 vaccine public payment initiative	\$ 600,000.00

Totals	
Administrative	\$ 63,038,235.00
Negative Economic Impacts	\$ 656,571,532.63
Public Health	\$ 8,376,030.18
Grand Total	\$ 727,985,797.81