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New Mexico Delegation Supports American Recovery and Reinvestment Act that Could Create 22,000 Jobs in New Mexico

House Passes Economic Recovery Plan, Including Critical Investments in New Mexico

WASHINGTON, D.C. - Congressmen Martin Heinrich, Harry Teague and Ben Ray Luján voted today to get our economy back on track. The New Mexico delegation joined together to vote in favor of the American Recovery and Reinvestment Act, which will provide significant relief for New Mexico, as part of a broader effort to save and create jobs and rebuild the economy. The American Recovery and Reinvestment Act could create or save 22,000 jobs in New Mexico, including 7,700 in the First Congressional District, 7,100 in the Second Congressional District, and 7,500 in the Third Congressional District. The legislation was passed by the House by a vote of 246 to 183.

"This bipartisan bill will create jobs, provide tax relief for 95% of working Americans, and begin the process of rebuilding our nation's economy. This is not a perfect bill and some people will think the bill falls short or maybe that it's too big, but we can't let perfection stand in the way of doing lots of good for the American people. Working families in southern New Mexico have been hit hard by the downturn in the economy, families from Hobbs to Silver City and across the country are struggling. They are wondering if their jobs are safe, or if their hours will get cut, and if they will be able to make ends meet. Today's package will begin to address the urgent needs of our nations' families and our economy." said Rep. Harry Teague.

"The people of New Mexico need relief in these difficult economic times," said Rep. Ben Ray Luján. "The House has taken bold action to address our economic crisis - developing and passing the American Recovery and Reinvestment Plan. While the final product is not perfect, it will begin to address our key goals - creating and saving jobs and getting our economy back on track. The American Recovery and Reinvestment Plan is designed to turn the economy around, stem the swell of job losses, and invest in the future of our country - from increasing student loan assistance to growing a new, clean energy economy that can create jobs right here in New Mexico. The recovery plan makes broad investments in critical programs - from projects that can begin in the coming months to growing industries that can power our homes and offices for years to come. This investment could create and save over 3.5 million jobs across the country - including over 22,000 in New Mexico and over 7,500 in the 3rd Congressional District. I look

forward to maintaining an open dialogue with local leaders as the recovery plan moves forward and begins to impact the families and communities of New Mexico."

"This jobs creation package will rebuild America's economy, making us more globally competitive and energy independent, while providing 95% of Americans with immediate tax relief," said Rep. Heinrich. "I am eager to work with the Obama Administration, and our state and local elected officials, to ensure that funding for infrastructure improvements, education and training programs, school construction projects, and renewable energy development reach our fellow New Mexicans as quickly as possible."

The New Mexico delegation took an active role in the development of the American Recovery and Reinvestment Act. The delegation sent a letter to Congressional leadership, urging them to reinstate education cuts in the conference committee. The conference committee reinstated a significant portion of the education funding that was cut out of the Senate version of the legislation.

The American Recovery and Reinvestment Act will provide immediate relief to schools in New Mexico who will see an increase in Title I and IDEA funds over two years to help low-income schools and students with disabilities. The American Recovery and Reinvestment Act also creates a state stabilization fund of \$53.6 billion to save jobs by staving off layoffs and harmful cuts to education. States could also use these funds to create new jobs by repairing, renovating and modernizing schools and colleges--providing students with clean, healthy, safe, energy-efficient and state-of-the-art learning classrooms and campuses.

The American Recovery and Reinvestment Act also includes investments to help make college more affordable for students and families. Among other things, the plan will increase the Pell Grant scholarship by \$500 for the next school year, which could benefit over 52,000 eligible students in New Mexico, and create a \$2,500 tuition tax credit for middle-class families. Both benefits would expand college access for students and assist local economies by helping prevent declines in college enrollment, protecting jobs and revenue at colleges in New Mexico.

The Recovery Plan also has significant middle class tax cuts including the Making Work Pay Credit, which provides a tax credit of \$400 per worker for single workers earning up to \$100,000 and \$800 for married couples earning up to \$200,000. There are an estimated 690,000 workers eligible for the credit in New Mexico according to the White House.

The American Recovery and Reinvestment Act has broad support, including the U.S. Chamber of Commerce and the National Association of Manufacturers. Economists and scientists across the political spectrum have told lawmakers that strategic investments in education will help Americans become stronger and more productive. By creating an economic stabilization fund to help states restore cuts in education funding and prevent deeper layoffs, this package will also help local and state school officials keep teachers in New Mexico classrooms.

- In New Mexico, this package will make an immediate impact, creating or saving jobs and helping communities across the state:
 - Creating or saving 22,000 jobs in New Mexico over the next two years in a wide range of industries from renewable energy to construction to health with over 90 percent of job creation occurring in the private sector. [Source: White House Estimate based on Romer and Bernstein, "The Job Impact of the American Recovery and Reinvestment Plan." January 9, 2009.]
 - Providing a making work pay tax cut of up to \$800 for 690,000 New Mexican workers and their families; 95 percent of Americans will receive a tax cut. [Source: White House Estimate based on IRS Statistics of Income]
 - Making 36,000 New Mexican families eligible for a new American Opportunity Tax Credit to make college more affordable for working families by establishing a \$2,500 tuition tax credit for middle-class families. [Source: Center on Budget and Policy Priorities analysis of U.S. Census data]

The American Recovery and Reinvestment Act will help transform our economy by:

- Enacting the most significant expansion in tax cuts for low- and moderate-income households ever.
- Enacting the largest investment increase in our nation's roads, bridges and mass transit systems since the creation of the national highway system in the 1950s.
- Doubling renewable energy generating capacity over three years, creating enough renewable energy to power 6 million American homes. The bill will now go to the Senate for a final vote.

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