

Congress of the United States
Washington, DC 20515

March 26, 2021

The Honorable Joseph R. Biden, Jr.
President
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Biden:

Thank you for your commitment to enact a bold infrastructure and stimulus plan in this transformative historic moment as we climb out of a recession, address the climate crisis, and build a better more equitable future. Like many states throughout the country, New Mexico needs infrastructure investments that will create the foundation for our communities to thrive. As your Administration develops its Build Back Better proposal, I urge you to consider the following ways in which it can help New Mexicans and all Americans.

Investments in a Just Transition to a Greener Economy

New Mexico is ground zero for the potential for bold climate action and also the potential for economic disaster if we don't transition with an understanding of the likely harm to the communities that have depended on fossil fuel development for both jobs and tax revenue. Our ecosystem is very fragile, and a warmer planet could mean extensive droughts and wildfires that threaten our very existence in the beautiful place we New Mexicans call home.

Green Grid. New Mexico has enormous potential for wind and solar electric generation, but we need to get it to where it is needed most, through microgrids, community solar, and large projects that can tie into transmission lines that go northeast as well as west. Investments in the green grid could help us create a 21st century Route 66 of renewable energy where electricity generated in our sundrenched and windy state could fuel a national electric grid (#Rt.66renewables).

Just Transition Innovation Investment. I support ramping up research funding at our national labs in Los Alamos and Sandia to accelerate the innovation we need in batteries, computer modeling, geothermal, and hydrogen fuel to meet your clean energy goals. The research funding should be coupled with technology transfer incentives so businesses are putting that research to work for our future. A Brookings Institute report titled "The Case for Growth Centers" called for a federal investment of \$10 billion a year to disperse innovation hubs throughout the country. New Mexico, with its research labs, desirable living conditions, and

universities is on that list of promising innovation hubs. I suggest an innovation economy investment in New Mexico as part of a just transition. Such a just transition innovation investment could be available to those regions lacking robust economic diversity but facing economic hardships as we move to a greener economy.

Local Tax Impact Support. New Mexico relies on fossil fuel severance taxes for 30 percent of our state budget. Many of the communities most impacted by an anticipated transition are also communities of color with Title 1 schools. Our children cannot afford further reductions in education spending. We must be bold in thinking about how to help replace state tax revenue since this is a national priority that will have uneven impact on states like New Mexico or West Virginia. States that are heavily reliant on tax revenues from shifting industries like oil, gas and coal could use:

1. Eligibility for Impact Aid-type funding at the state level for decreased fossil fuel tax collection resulting from the energy transition.
2. Extension of the \$1 billion per year fund created by the American Rescue Plan Act into Fiscal Years 2024, 2025, and 2026 to compensate Tribal and local governments that have experienced a loss of revenue due to federal programs or policies, with a special emphasis on legacy fossil fuel communities.
3. Robust federal support for job retraining in the regions and states impacted by the transition.
4. Direct funding of transportation infrastructure to connect transition economies to existing railroads and transportation networks. For example, Farmington, New Mexico is connected by oil and gas pipelines to the rest of the economy but lacks a rail line. This could become a prototype for rail innovation while spurring the just transition.
5. Investments in educational institutions to support the transition workforce's development and the innovation economy.
6. Investment tax credits for economic diversification and employment in communities impacted by a just transition.

Investments in Rural broadband

Any forthcoming infrastructure plan must address the lack of accessible, affordable broadband in many parts of the country. New Mexico consistently ranks among the states with the least number of internet-connected households. Access to internet is often as fundamental to individuals' and families' success and well-being as electricity and water. It is past time we invest in broadband infrastructure and affordability to close this gap, in the same way we electrified rural America in the 20th century. In particular, we should deliver broadband to rural and tribal communities. We must allow federal support for the "last mile" to those communities

and directly into homes which cannot afford loan and match requirements that have stymied use of existing federal broadband programs.

A WPA for Today

Finally, I urge you to include assistance for the creative economy as part of your Build Back Better plan. In New Mexico, the creative economy accounts for 10 percent of the jobs in the state. Arts and culture are an essential part of American infrastructure and can help unite the country as we allow every story to be celebrated as the American story. The creative economy helps turn a town into a community. That is why our state invests in the creative economy with a 1 percent for the arts set aside in our publicly funded projects. Our federal government recognized this value decades ago when it created the Works Progress Administration (“WPA”) to employ, among others, muralists, photographers, and other creative workers whose beautiful creations during the depression inspire us today. In a time when our nation is so divided, we desperately need to be reminded of our cultures and shared experiences and what binds us together as Americans. I urge you to invest in the creative economy, like we did with the WPA, as we rebuild and reimagine our communities.

Similar to the 1 percent for the arts funding, I encourage setting aside a percentage of the infrastructure projects for use in creative projects in the locale of the spending. We need to put the musicians, playwrights, muralists and poets back to work to help rebuild and heal our nation. As Amanda Gorman said at your inauguration, “Being American is more than a pride we inherit, it's the past we step into and how we repair it.”

I look forward to working with you to invest in our infrastructure in a way that creates opportunities for all Americans. Thank you for your consideration of these requests.

Sincerely,



Teresa Leger Fernández
Member of Congress

cc:

The Honorable Pete Buttigieg, Secretary, U.S. Department of Transportation
The Honorable Miguel Cardona, Secretary, U.S. Department of Education
The Honorable Jennifer Granholm, Secretary, U.S. Department of Energy
The Honorable Deb Haaland, Secretary, U.S. Department of the Interior