



October 29, 2021

The Honorable Michelle Lujan Grisham
Governor of New Mexico
490 Old Santa Fe Trail Room 400
Santa Fe, NM 87501

Dear Governor Lujan Grisham,

In the second year of the pandemic, it's not surprising that we see continued challenges across construction, and our industry is of course not unique here. COVID-19 has tested the importance of flexibility, adaptability, and objectivity when dealing with such uncertainty. **Associated General Contractors New Mexico** (AGC NM) and our members rose to meet the countless challenges, and through uncertainty, we found opportunity.

Thank you for recognizing our industry is critical to the future of New Mexico and designating construction with the essential status needed to continue to build, maintain, and enhance our state's infrastructure. Our contractors know the important role they must play in supporting the state and our nation in these trying times, and they lead through uncertainty effectively in a way that protects workers and the public.

The construction industry is currently facing severe workforce shortages that may significantly impact the ability of construction firms to meet the demand of future infrastructure projects.

- **Construction firms are struggling to find enough qualified workers to hire even as they continue to be impacted by pandemic-induced project delays and supply chain disruptions.**
- **New Mexico's construction employment has decreased steadily over the last decade; we sit 11% below where we were in 2006.**
- **The federal government currently spends only one dollar on career training for every six it puts into college prep, despite only one-in-three jobs requiring a college degree.**

AGC NM and the industry have already taken several steps to address these workforce shortages. This includes increasing compensation, investing additional resources into training, and taking a more active role in workforce development. Even as the industry works to address labor shortages, construction firms are also changing the way they operate – including the adoption of new technologies – to be able to perform work more efficiently and mitigate the impacts of labor shortages.

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AGC NM is also supporting members' efforts to address labor shortages. This includes launching a targeted digital advertising campaign and providing resources to help members establish or improve construction training programs. Our "Culture of Care" program is designed to help firms retain newly hired workers. However, we need to take longer-term steps to develop the construction workforce through quality education and outreach programs to support future growth and the technical and adaptive challenges ahead. We understand that connecting industry to education is only possible by leveraging connections, introducing industry organizations, and strategic partnerships.

This year we have strengthened our workforce development role in apprentice opportunities, work-based learning, internships, pre-apprenticeship, career exploration, and support to CTE programs throughout the state. With your support, we can make a difference and get New Mexicans back to work in an industry that pays above the median wage that does not include crippling debt passed along to the student.

However, more support from the state is needed to address the workforce shortage in the construction industry.

There is a significant need to boost financial investments in career and technical education that will help attract and prepare more individuals to enter into high-paying careers in construction.

Our goal is for contractors to have plenty of work, and a strong pool of qualified workers to keep pace with that demand. We are optimistic that we can do both.

We would appreciate the opportunity to meet with you to discuss ways the construction industry can be a meaningful partner with the State of New Mexico to ensure the training of a workforce that can continue to build our communities and drive economic development across our state.

Thank you,

A handwritten signature in black ink, appearing to read 'Kelly Roepke-Orth', written in a cursive style.

Kelly Roepke-Orth, CEO
AGC New Mexico