



November 18, 2020

As I write this the dust is still settling from the national election. The presidential race remains contested, but we know what happened here in New Mexico. Unfortunately, the results by-and-large were status quo which, in New Mexico's case means not particularly good.

It is not for a want of effort, however. Not only did the Rio Grande Foundation collect pledges from legislators and candidates asking them to not raise taxes for the duration of 2020 AND 2021, but we distributed those messages via social media. Additionally, we sent out more than 200,000 pieces of direct mail throughout this election cycle to both educate voters about candidates' stance on taxes AND encourage conservatives to get to the polls. This is the largest direct mail project the Foundation has ever taken on.

Without your financial support we could not have completed these projects!

While the results were not what we had hoped for in terms of a more conservative, free market-oriented Legislature, it would be inaccurate to describe the efforts of the Rio Grande Foundation and pro-liberty candidates as a "failure."

Why? The reality is that New Mexico **IS** a majority "blue" state by voter registration. Conservative voters tend to turn out more consistently in all elections than their low-information, more liberal counterparts. However, as has widely been reported, 2020 was a record year for voter turnout in New Mexico. That is tough for conservatives to compete with even if "our" people turn out in great numbers.

It is worth noting that there were some real bright spots in this election at the State level. Mark Ronchetti and Yvette Herrell ran fabulous races (Herrell won her race for Congress), but the Rio Grande Foundation's primary focus is New Mexico policies. Overall, the Legislative composition remains numerically similar to where it has been the past few years. Worse, the State Senate is ideologically more "progressive" now than it was before the election.

The ideological sorting of our State accelerated dramatically this year. So-called "moderate" Democrats from rural areas like John Arthur Smith, Clemente Sanchez, and others fell by the wayside in the Democrat primaries back in June. This provided an opportunity for Republicans to pick up a few seats and they grabbed two. Crystal Diamond and Joshua Sanchez (*both of whom signed our pledge not to raise taxes*) won their races.

But, the GOP continued to hemorrhage seats and power in Albuquerque. Only one GOP Senator stalwart Mark Moores (*also a pledge signer and consistently among the top performers in our Freedom Index*) remains in a district mostly within the City limits.

But there are still a few more bright spots. Notably, conservatives Greg Schmedes and David Gallegos defeated more moderate senate Republicans back in June. Gallegos was unopposed in his general election race, but Schmedes faced stiff opposition in the general election and managed to defeat his “progressive” opponent. He is likely the most conservative member of the Legislature.

Also, in the House, Stefani Lord (another pledge signer) won a narrow victory in the East Mountains of Albuquerque.

So, while conservative voters (and organizations like Rio Grande Foundation that encouraged them) did a great job, so did their liberal counterparts...and due to the number disparity in this State, when that happens the liberals tend to win.

With “blue” New Mexico now dominated by so-called “progressives” we are in for even worse public policy decisions than we are used to.

The great journalist and writer H.L. Mencken once said, “*Democracy is the theory that the common people know what they want and deserve to get it good and hard.*”

New Mexico, always a poor State, now will be governed by California-style “progressives.” Of course, unlike New Mexico, California has dozens of *Fortune 500* companies based there. While their left-wing policies have caused the loss of California’s middle class, the State remains among the wealthiest states in the nation overall. Impoverished New Mexico, on the other hand, is wholly reliant on federal spending and oil and gas. Now, the “progressives” have oil and gas in their sights.

The Rio Grande Foundation remains steadfast in its commitment to New Mexicans and turning this State around. We believe that some important seeds were planted in this election and some necessary infrastructure was built, but the next few years will be incredibly challenging for our State.

- 1) COVID 19 and the Governor’s lockdowns have devastated our economy. With the Virus currently spreading at record levels, New Mexico’s economy will not reopen anytime soon. The Governor and her advisors have publicly said that reopening may not occur for another **YEAR**. Restaurants remain on a knife’s edge and numerous other businesses haven’t been open since March. If this “dark winter” (to quote Joe Biden from his 2nd debate with President Trump) does not yield to a spring thaw in COVID 19 rules, it will be a death blow to countless businesses.
- 2) COVID 19, the lack of travel, and the broad economic disruptions have driven demand for New Mexico’s most important product (crude oil) way down. That means even fewer dollars for New Mexico government.
- 3) A somewhat more conservative group of Democrats than the newly-elected Legislature passed a big tax hike when New Mexico was booming. With so many

businesses on the ropes and tax revenues in the toilet, we will make the case AGAINST tax hikes, but **no one** has the votes to stop them (for two years).

- 4) Governor Lujan Grisham has vowed to (like Joe Biden) “transition away from oil and gas.” Will she and the Democrats come after the industry that funds 40 percent of New Mexico government? That remains to be seen, but we will fight her tooth and nail.
- 5) Will the new Legislature demand its rightful power back from Governor Lujan Grisham? For more than eight months she has exercised unprecedented power over the livelihoods and daily lives of all New Mexicans. Of course, the unfortunate truth is that when the people *could have* elected a Legislature to hold her accountable at the ballot box they instead gave her an even stronger, more compliant majority.

I know this is depressing. Like you, I am truly surprised and dismayed by these results. New Mexico seems to have embraced the very definition of “insanity” (doing the same thing over again and expecting a different result). But, if there is a silver lining here it is that the very difficult times and likely policy missteps MAY finally lead voters to embrace change. Those failures could result in electoral gains for New Mexico conservatives if voter turnout returns to its more typical level in an off-year election.

Only time will tell how the next two years go and whether the activities of the “progressives” create opportunities for conservatives to make serious inroads.

Hard-core “progressives” want to raise taxes (again), tap the permanent fund to grow New Mexico government, and have fooled themselves into thinking that they will generate a windfall of taxes and economic activity from legalizing and taxing marijuana. The reality is that New Mexico’s businesses have already been devastated. Marijuana will neither generate nearly the money the left would like, nor will it close the massive budget gap facing our State. In fact, with Arizona joining Colorado as having legalized, the market is continuing to grow more competitive.

So, that leaves the Land Grant Permanent Fund. With John Arthur Smith gone, the resistance to access the fund has all but evaporated. The problem for the progressives is this process will take time. The money will not just flow overnight. A vote of the people is required to approve the additional “distribution” from the Fund. This is likely a year or more from now.

If the Democrats simply use that bounty to expand or even prop up New Mexico’s bloated government, they will fail, and the economy will falter. If they somehow put their egos aside and come up with an innovative plan to use the Permanent Fund dollars to plug the budget AND help struggling businesses and families out, they COULD do something great for New Mexico and its economy.

I am not holding my breath, but the point is that the deep challenges facing New Mexico over the next few years (along with a less motivated liberal electorate in two years) are the best opportunity we have to get New Mexico moving back towards sanity.

Despite my admonition not to do so in my last letter to you, the voters of New Mexico just handed total control of New Mexico politics to the far-left “progressives.” If these people have proven ANYTHING it is that they ONLY care about government and keeping government funded. They do not care about New Mexico children, taxpayers, businesses, or your freedoms.

So, again it falls to us to be the “loyal opposition” of New Mexico. We will work hard (as we have for the past two years and as we have always done since our founding in 2000) to push back **against**:

- The Governor (whoever it is) and the one-size-fits-all locking down of New Mexico’s economy. We will advocate for restraints to be enacted through the Legislature that require their input during emergencies. It is simply unhealthy to have all power centralized in one person for long periods of time;
- Raising taxes during one of the most challenging economic times in our State’s history;
- Tapping the Land Grant Permanent Fund to simply grow government;
- “Kicking” the oil and gas industry while it is down by imposing additional rules and regulations on New Mexico’s most important industry.
- New anti-freedom initiatives including attacks on our 2nd Amendment rights. Traditionally New Mexico’s Democrats have been “pro-gun” and even Albuquerque’s “progressive” City Council rejected a slew of anti-gun measures, but with this leftward lurch in Santa Fe, we know your gun rights are in the crosshairs.

You and I know the path to improve New Mexico involves a healthy dose of economic freedom. Those two words pretty much sum up what the Rio Grande Foundation is all about. We have the research and data. We know New Mexico’s lack of freedom is what keeps us at the top of all the bad lists and the bottom of all the good ones. And, we have worked tirelessly, diligently, and aggressively for several years to educate voters and our political leaders.

In addition to our 200,000-piece direct mail campaign this election season, we have generated grassroots opposition to the “progressives” and their big-government schemes. Notably, we helped stave off anti-gun legislation at Albuquerque City Council and have (at least so far) stopped mandatory paid sick leave in Albuquerque as well.

We have sued and continue to litigate for open records and an open process in the Legislature (we want the public to participate and not be locked out of the legislative process when that body convenes). The Courts affirmed the denial of public access to the Roundhouse during the June Special Session, but keeping the public locked out of a 60-day session is a different conversation altogether: one that we plan to be actively involved in.

The Foundation has a massive media presence especially given the small size of the organization. Our work regularly appears in newspapers across the State and even nation. We have a regular monthly column in the *Las Cruces Sun-News*. None other than the extremely biased *New York Times* attacked us earlier this year for working to overturn municipal plastic bag bans here in New Mexico with the onset of the COVID 19 pandemic.

We appear regularly on various New Mexico television outlets and radio stations. Our podcast, Tipping Point New Mexico includes two episodes a week and now also airs on Public Access television in Albuquerque and on radio stations in Alamogordo and Cloudcroft. You can listen to each of the nearly 250 episodes at www.TippingPointNM.com.

As we approach the 2020 legislative session it is important to remind you that we will again be tracking the Legislature and rating the votes using our Freedom Index. This information was used in some primaries in which conservative candidates challenged their more liberal challengers. We encourage use of this information and hope that candidates and voters can use it to encourage legislators of both parties to vote in a more pro-freedom manner.

This November was so critical for New Mexico's future. We are frustrated. We are frustrated that so many worked so hard without seeing the results. We're frustrated that voters looked at 90 years of one-party rule and said, "more, please!"

But we are not going anywhere.

Until the Legislature (and that MUST include both parties) takes her on directly and passes laws limiting her abuse of this "emergency" authority, New Mexico will face YET ANOTHER unnecessary economic challenge.

Remember that the Rio Grande Foundation is a 501(c)(3) nonprofit charitable organization. Donations to the Foundation are tax deductible and can be made online at www.rgfnm.com/donate.

I remain, ever faithfully, your friend in liberty.

Thank you,

A handwritten signature in black ink that reads "Paul Gessing". The signature is written in a cursive, flowing style.

Paul Gessing
President

P.S. As I write this letter the Governor has AGAIN shut New Mexico down for two weeks. Her anti-COVID efforts to date have been both unfair and ineffective. We pray for better

results this time, but expect the Virus to spread until herd immunity is reached or an effective vaccine is developed and distributed.

P.P.S. And, even as “the science” and most top health officials recommend that schools teach in-person lessons all of New Mexico’s largest school districts have gone “virtual.” Shockingly they are demanding EVEN more funding for this much-diminished product while most private schools have continued (safely) with in-person learning throughout the 2019-2020 school year.