MINUTES of the THIRD MEETING of the

WATER AND NATURAL RESOURCES COMMITTEE

August 18-20, 2025 **Stan Fulton Athletics Center New Mexico State University** 1815 Wells Street Las Cruces

The third meeting of the Water and Natural Resources Committee (WNRC) was called to order by Senator Elizabeth "Liz" Stefanics, chair, at 9:35 a.m. on Monday, August 18, 2025, in the Stan Fulton Athletics Center at New Mexico State University (NMSU) in Las Cruces.

| Present | Absent |
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| Present | Absen |

Sen. Elizabeth "Liz" Stefanics, Chair Rep. Matthew McQueen, Vice Chair

Rep. Micaela Lara Cadena Sen. Pete Campos (8/18) Rep. Kathleen Cates Sen. Joseph Cervantes

Rep. Jonathan A. Henry Rep. Debra M. Sariñana

Sen. Larry R. Scott

Rep. Elaine Sena Cortez

Sen. Jeff Steinborn (8/18, 8/19) Sen. James G. Townsend (8/18)

Rep. Martin R. Zamora

Sen. Candy Spence Ezzell Rep. Miguel P. García

Rep. Joseph Franklin Hernandez

Rep. D. Wonda Johnson Rep. Marian Matthews

Sen. Micaelita Debbie O'Malley

Rep. Kristina Ortez Rep. Angelica Rubio

Advisory Members

Rep. Gail Armstrong (8/18)

Rep. Charlotte Little (8/18)

Rep. Rod Montoya

Rep. Patricia Roybal Caballero Sen. Anthony L. Thornton

Rep. Harlan Vincent (8/18)

Sen. Craig W. Brandt

Sen. Angel M. Charley

Rep. Jack Chatfield

Rep. Nicole Chavez

Rep. Eleanor Chávez

Rep. Meredith A. Dixon

Rep. Joanne J. Ferrary

Rep. Martha Garcia

Sen. Linda M. López

Rep. Stefani Lord

Rep. Tara L. Luian

Sen. Antonio Maestas

Rep. Javier Martínez

Rep. Angelita Mejia

Rep. Tanya Mirabal Moya

Rep. Mark B. Murphy

Rep. Randall T. Pettigrew

Sen. Antoinette Sedillo Lopez

Rep. Nathan P. Small

Sen. Mimi Stewart

Sen. Peter Wirth

Sen. Pat Woods

Guest Legislators

Rep. Rebecca Dow (8/18) Sen. Carrie Hamblen (8/19)

(Attendance dates are noted for those members not present for the entire meeting.)

Staff

Sara Wiedmaier, Researcher, Legislative Council Service (LCS) Ian Keller, Staff Attorney, LCS Angela Dakan, Staff, LCS

Guests

The guest list is in the meeting file.

Handouts

Handouts and other written testimony are in the meeting file and posted on the legislature's website.

References to Webcast

The time reference noted next to each agenda item in this document is cross-referenced to the recorded webcast of the committee meeting, which can be found at www.nmlegis.gov, under the "Webcast" tab. The presentations made and committee discussions for agenda items can be found on the recorded webcast for this meeting.

Monday, August 18

Welcome and Introductions (9:35 a.m.)

Senator Stefanics welcomed everyone, and committee members and staff were introduced.

Welcome and Local Updates (9:41 a.m.)

Valerio Ferme, Ph.D., president, NMSU, expressed pride about increased enrollment at NMSU and its crucial research and work on water issues. Eric Enriquez, mayor, City of Las Cruces, voiced concern about water usage and conservation amidst the city's growth. Christopher Schaljo-Hernandez, county commissioner, District 1, and chair, Dona Ana County

Board of County Commissioners, discussed leveraging public-private partnerships to develop a desalination plant and bringing new sources of potable water to residents in the sprawling Santa Teresa area.

Impact of Federal Funding Cuts on New Mexico Food Systems (10:50 a.m.)

Austin Davidson, fiscal analyst, Legislative Finance Committee, provided a summary of the recently passed federal budget reconciliation bill and the bill's tax and revenue impacts and a list of and time line for the major changes to Medicaid and federal Supplemental Nutritional Assistance Program (SNAP) benefits. Les Owen, deputy director, New Mexico Department of Agriculture (NMDA), discussed impacts from reduced federal funding for agriculture, including to produce safety and sustainable farming programs, and noted key tax benefits and the expansion of farm safety net programs.

Niki Kozlowski, acting deputy secretary, Health Care Authority (HCA), outlined changes to SNAP benefits that are projected to impact the state's economy and local taxes. She recommended improved training for caseworkers and more staff for the Income Support Division of the HCA to reduce payment-error rates and increase federal contributions. Sarah E. Flores-Sievers, chief, Food and Nutrition Bureau, and director, Senior and Women, Infants and Children (WIC) and Farmers' Market Nutrition Programs, Department of Health (DOH), discussed participation levels in the state WIC program, cuts to monthly fruit and vegetable benefits and how the state has modernized the WIC program by integrating it with SNAP, Medicaid and Temporary Assistance for Needy Families programs.

Michael A. Chavez, director, Student Success and Wellness Bureau, Public Education Department (PED), discussed navigating the funding changes to SNAP and other government programs in public schools. He addressed the impacts to local food procurement and stressed the importance of participation in the federal Community Eligibility Provision, which allows schools to serve free meals to all students if a certain percentage qualifies for federal benefits. Denise King, director, Aging Network Services Division, Aging and Long-Term Services Department, discussed food insecurity among older adults and the importance of interagency monitoring of the state's aging population. The presentation materials can be found here:

https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=8/18/2025&Item Number=2.

Public Comment (1:04 p.m.)

A list of individuals who made public comment is available in the meeting file.

Local Food Access: Suppliers, Community Partners and the Role of State Agencies (1:27 p.m.)

Alena Paisano, director, New Mexico Grown Approved Supplier Program (ASP), New Mexico Farmers' Marketing Association, discussed the ASP and Double Up Food Bucks programs and capacity-building for farmers' markets and rural grocery retail infrastructure. Erin Ortigoza, program manager, Food, Hunger and Agriculture Program, Economic Development

Department, provided an update on the Healthy Food Financing Fund and other grant programs that address workforce development challenges and assist businesses that provide affordable food to underserved communities.

Veronica Griego, manager, Senior and WIC and Farmers' Market Nutrition Programs, DOH, presented on the Senior and WIC programs' agricultural support, statewide food distribution and emergency food response services. Liz Anichini, program manager, Healthy Universal School Meals, Student Success and Wellness Bureau, PED, discussed successes of the New Mexico Grown program in school cafeterias and senior centers, stating that the future of the program depends on increased participation and consistent funding across agencies.

Mario Holguin, manager, Farm Fresh Program, La Semilla Food Center, and farmer and owner, Rio Abajo Farm, and Johannes Lencer, chief operating officer, National Center for Frontier Communities, discussed the function of food hubs in strengthening local food systems and stabilizing food supply chains. The presentation materials can be found here:

 $\frac{https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR\&Date=8/18/2025\&Item~Number=3.$

Water and Natural Resources Workforce Development, Part 1: Archaeological Review Training, Agriculture and Water Technology Programs (3:11 p.m.)

Sarita Nair, secretary, Workforce Solutions Department, discussed in-demand occupations, training and economic development initiatives and future actions needed to increase the agricultural sector workforce. John Taylor-Montoya, Ph.D., executive director, Office of Archaeological Studies (OAS), Cultural Affairs Department, discussed the OAS's services and fieldwork training program, which is designed to develop a workforce in cultural resource management and historical preservation.

Max Henkels, director, Agricultural Programs and Resources Division, NMDA, discussed the Agricultural Workforce Development Program, which covers up to 50% of the costs of three internships per year for food and agricultural businesses. He discussed examples of internships and interagency collaborations to address agricultural workforce challenges. Debbie Hughes, farmer, rancher and co-owner, Hughes Ranch, and executive director, New Mexico Association of Conservation Districts, said that there is a critical need for cultural survey training and capacity building for soil and water conservation districts.

Monica F. Torres, Ph.D., chancellor, Dona Ana Community College, discussed the important jobs that water technicians perform, such as monitoring treatment systems, regulatory compliance and other safety measures. She outlined workforce, career pathway and capacity needs for water operators in the state. The presentation materials can be found here:

 $\frac{https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR\&Date=8/18/2025\&ItemNumber=4.$

In-State Meat Processing: Progress and Challenges (4:18 p.m.)

Kayla Sjoberg, deputy director, Meat and Poultry Inspection Program, New Mexico Livestock Board, gave an update on the state meat inspection program, which aims to provide guidance and resources to meat processors. Nicholas Frazzini, senior agriculture marketing specialist, Marketing and Development Division, NMDA, provided livestock industry statistics and discussed common industry challenges, including workforce development, product diversification and in-state processing capacity. Michelle Thomas, president, New Mexico Meat Processors Association, and co-owner, A & M Meat Processing LLC, stressed the importance of a state inspection program to enable local products to be sold in the state without the high overhead and lengthy process of federal inspection. She outlined major challenges, including dedicated infrastructure and funding and building code restrictions.

John Richardson, owner, Slash Ranch, and owner, Fiesta Meats Processing, expressed appreciation for the state meat inspection program and the Local Meat Processing Grant and said that more feedlots and processing plants are needed to keep locally grown beef in the state. Manny Encinias, Ph.D., owner, Trilogy Beef Community LLC; owner, Buffalo Creek Ranch; and executive director, Santa Fe Farmers' Market Institute, gave his perspective on the meat production industry and discussed the importance of the New Mexico Grown program. He stated concerns about workforce and capacity needs, especially in northern regions of the state. The presentation materials can be found here:

https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=8/18/2025&Item Number=5.

Weather Stations, Water Resilience and the Impacts of Drought and Extreme Weather on Agriculture (5:05 p.m.)

Dave Dubois, Ph.D., state climatologist, Office of State Climatologist, NMSU, presented state drought statistics, including reservoir storage, wind speeds, mean temperatures and soil moisture, noting that the western region of the state is struggling the most with long-term drought. Sam Fernald, Ph.D., director, New Mexico Water Resources Research Institute (WRRI), provided an overview of the WRRI's Agricultural Water Resilience Program (AgWRP), which incentivizes conservation and modernizing operations to increase efficiency and resilience to drought conditions. Ms. Hughes added that weather stations are critical for receiving federal drought insurance and that the AgWRP needs increased funding to enable more sustainable and profitable agricultural operations. The presentation materials can be found here:

 $\frac{https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR\&Date=8/18/2025\&ItemNumber=6.$

Recess

The meeting recessed at 5:46 p.m.

Tuesday, August 19

Reconvene

The meeting reconvened at 9:06 a.m.

State Parks Division of the Energy, Minerals and Natural Resources Department: Economic Impact and Contribution Analysis (9:07 a.m.)

Toby Velasquez, director, State Parks Division, Energy, Minerals and Natural Resources Department, and Kramer Winingham, Ph.D., program director, Arrowhead Center, NMSU, discussed the Arrowhead Center's analysis of the economic and social benefits of New Mexico's state parks for fiscal years 2019 through 2024. The study detailed that economic contributions were significantly higher than expenditures and significant social and nonmarket benefits were achieved through recreation uses. Mr. Velasquez added that the State Parks Division has a 38% vacancy rate for law enforcement positions and requested more funding to increase wages and enhance workforce recruitment. The presentation materials can be found here:

https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=8/18/2025&Item Number=7.

Las Cruces Electrification Plan, Community Solar and Community Energy Efficiency Development Projects (10:12 a.m.)

Jenny Hernandez, sustainability officer, City of Las Cruces, talked briefly about the city's climate action program and incentives to meet the city's electrification goals, including the Plugged-In for Good program that provides complimentary home-energy analysis and helps fund weatherization issues for residents. Angie Rodriguez, manager, Electrification, El Paso Electric (EPE), said that the adoption rate of electric vehicles (EVs) has grown in the city, and the EPE's most successful programs are rebates for electric bicycles and turnkey solutions for businesses to install EV charging stations. Lucas Herndon, energy policy director, ProgressNow New Mexico, discussed community solar projects in Dona Ana County and provided recommendations for state policy changes to address current federal limitations. The presentation materials can be found here:

 $\frac{https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR\&Date=8/18/2025\&Item}{Number=8}.$

Lower Rio Grande Water Management and Conservation Strategies (11:32 a.m.)

Hannah Riseley-White, director, Interstate Stream Commission (ISC), discussed water management strategies in the lower Rio Grande and initiatives underway at the ISC, including ground water conservation, storm water capture and brackish water development. Joshua L. Smith, treasurer-manager, Elephant Butte Irrigation District (EBID), provided information on the priorities of the EBID, including partnerships throughout the west, irrigation efficiency and the need for infrastructure to capture and hold storm water. Adrienne Widmer, utilities director, City of Las Cruces, discussed water operations in Las Cruces, including proactive planning based on growth trends, wastewater treatment, advanced metering to find leaks in the system and

the city's water development and conservation plans. The presentation materials can be found here:

https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=8/18/2025&Item Number=9.

Texas v. New Mexico Status Update (12:32 p.m.)

Nat Chakeres, general counsel, Office of the State Engineer (OSE), and Ms. Riseley-White gave a brief summary of settlements that would resolve some of the disputes being litigated in *Texas v. New Mexico*. Settlement documents are to be finalized by August 29, 2025, with a hearing to take place in the fall. A report and recommendation will then be prepared for the United States Supreme Court, which will make the ultimate decision on the settlement. The presentation materials can be found here:

https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=8/18/2025&Item Number=10.

Public Comment (12:42 p.m.)

A list of individuals who made public comment is available in the meeting file.

Recess and Tour of the Kay Bailey Hutchison (KBH) Desalination and Blue Brine Plants in El Paso, Texas

The meeting recessed at 1:03 p.m. for a tour of the KBH desalination facility in El Paso, Texas, which converts brackish ground water into fresh water to supplement the city's water supply. The tour then moved on to the Blue Brine plant, which aims to extract marketable minerals from the KBH plant's brine concentrate and return potable water back to the KBH plant. While the brine plant is still under construction, the process could be a breakthrough for inland desalination, offering a way to manage brine concentrate and reduce environmental impacts.

Wednesday, August 20

Reconvene

The meeting reconvened at 9:06 a.m.

Fifty-Year Water Action Plan (9:07 a.m.)

Tanya Trujillo, deputy state engineer, OSE, and John S. Rhoderick, deputy secretary for administration, Department of Environment (NMED), discussed elements of the fifty-year water action plan and the progress made in 2025 on infrastructure, restoration and development of new sources. Dr. Fernald discussed the AgWRP's approaches to agricultural water resilience and metrics developed to track the impacts of individual grant projects. The presentation materials can be found here:

 $\frac{https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR\&Date=8/18/2025\&ItemNumber=11.$

Strategic Water Supply: Brackish Water Development (10:32 a.m.)

Ms. Trujillo and Mr. Rhoderick discussed the Strategic Water Supply Program, which seeks to provide new water for community uses, protect and preserve freshwater resources, promote local economies and create jobs by providing grants and contracts to eligible entities for projects to utilize treated brackish water. Pei Xu, Ph.D., professor, Department of Civil Engineering, NMSU, discussed brackish ground water quality characterization and ongoing research focused on developing technologies to improve water recovery and valorize brine concentrate with marketable products. The presentation materials can be found here:

 $\frac{\text{https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR\&Date=8/18/2025\&Item}{\text{Number=}12.}$

Surface Water Quality Permitting Program (SWPP) Implementation (11:34 a.m.)

Shelly Lemon, chief, Surface Water Quality Bureau, Water Protection Division, NMED, gave an update on efforts to initiate a permitting program to protect state waters that are no longer protected federally and discussed estimated program costs and permitting fees. Mr. Rhoderick commented that the program will allow New Mexico to take control of its water and develop the program for the benefit of all.

Steven Perez, deputy director, Regulatory Compliance, Utilities Department, City of Las Cruces, discussed the city's wastewater treatment facilities and its participation with the Surface Water Advisory Panel and listed benefits and concerns of the SWPP from a municipal perspective. Tricia Snyder, director, Rivers and Waters Program, New Mexico Wild, presented an estimate that up to 95% of the state's rivers, streams and wetlands have lost federal protections as a result of the *Sackett v. Environmental Protection Agency* ruling and discussed the need for the SWPP to be adequately resourced with equitable fees for permit holders. Dalva "Dal" Moellenberg, attorney, Gallagher & Kennedy, and representative, New Mexico Oil and Gas Association and New Mexico Mining Association, discussed uncertainty about the permitting process from a business perspective, including how long the process would take, what the costs and requirements will be and distinguishing waters of the state and waters of the United States. The presentation materials can be found here:

<u>https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=8/18/2025&ItemNumber=13.</u>

Adjournment

There being no further business before the committee, the meeting adjourned at 12:23 p.m.