



NEW MEXICO LEGISLATURE

**WATER AND
NATURAL RESOURCES
COMMITTEE**

2024 INTERIM FINAL REPORT

LEGISLATIVE COUNCIL SERVICE
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INTERIM SUMMARY

Water and Natural Resources Committee 2024 Interim Summary

The Water and Natural Resources Committee (WNRC) was created by the New Mexico Legislative Council on March 25, 2025 and held six in-person meetings at locations in Santa Fe, Albuquerque, Socorro, Questa and Mescalero. For the 2024 interim, each travel meeting was dedicated to a specific topic area: climate change, water, conservation and energy.

In July, the WNRC heard presentations related to climate change issues, including a report from the state climatologist on current science and monitoring; mitigation strategies; health and economic impacts; and heat and air quality concerns. Producer responsibility in recycling and waste reduction strategies were also discussed, along with state agricultural policy and workforce development, local food production and security and soil health. The committee also toured three farms in Corrales.

In August, a wide array of water security issues were discussed, including reports on the 50-year water plan and strategic water reserve; regional water planning; the Water Data Act and the aquifer mapping program; surface water permitting; and concerns regarding the use of brackish and produced water, as proposed by the governor's "Strategic Water Supply". The WNRC also received updates on Indian water rights settlements and Rio Grande and Colorado River compact compliance and discussed agricultural water management policies and potential water production strategies, such as cloud seeding and atmospheric water harvesting.

In September, the WNRC focused on conservation issues, including funding for species of greatest conservation need and the proposed Animal Welfare Trust Fund; Department of Game and Fish and State Game Commission reform; Land of Enchantment Legacy Fund distributions and programs; proposed fee increases at state parks; beaver population restoration efforts; and stream access enforcement. The committee also heard reports on wildlife crossings and the impacts of solar energy development on wildlife, as well as issues involving light pollution, pesticide use and the effects of lead ammunition and tackle.

In October, topics concerning energy were presented, including tribal carbon-free energy development goals; proposed Oil and Gas Act reforms and increasing royalty rates on state trust lands; implementation of methane rules; carbon capture and sequestration; solar development and interconnection challenges; electric grid capacity and transmission buildout and upgrades; green hydrogen production; and progress and enforcement of the Energy Transition Act. The committee also discussed wildfire impacts from the recent fire and local recovery efforts.

The final WNRC meeting of the 2024 interim was devoted to reports from water- and natural resources-related state agencies on budget and staffing priorities, the citizen science working group and the New Mexico Climate Investment Center. The committee discussed proposed legislation but did not consider any legislation for endorsement for the 2025 legislative session.

WORK PLAN AND MEETING SCHEDULE

**2024 APPROVED
WORK PLAN AND MEETING SCHEDULE
for the
WATER AND NATURAL RESOURCES COMMITTEE**

Members

Rep. Matthew McQueen, Chair	Rep. Tara L. Lujan
Sen. Elizabeth "Liz" Stefanics, Vice Chair	Rep. Marian Matthews
Rep. Gail Armstrong	Sen. Steven McCutcheon II
Sen. Pete Campos	Rep. Kristina Ortez
Rep. Kathleen Cates	Rep. Andrea Romero
Sen. Joseph Cervantes	Rep. Debra M. Sariñana
Rep. Joanne J. Ferrary	Rep. Larry R. Scott
Rep. Miguel P. García	Sen. Pat Woods
Rep. Susan K. Herrera	Rep. Martin R. Zamora

Advisory Members

Sen. Crystal Brantley	Sen. Cliff R. Pirtle
Rep. Christine Chandler	Rep. William "Bill" R. Rehm
Rep. Jack Chatfield	Rep. G. Andrés Romero
Rep. Candy Spence Ezzell	Rep. Patricia Roybal Caballero
Rep. Jenifer Jones	Sen. Antoinette Sedillo Lopez
Sen. Linda M. López	Sen. Benny Shendo, Jr.
Rep. Rod Montoya	Rep. Nathan P. Small
Sen. Gerald Ortiz y Pino	Sen. Jeff Steinborn
Rep. Cristina Parajón	Sen. Mimi Stewart
Sen. Shannon D. Pinto	Sen. Peter Wirth

Approved Work Plan

The Water and Natural Resources Committee (WNRC) was created by the New Mexico Legislative Council on March 25, 2024. The committee will focus on the following topics, as scheduling permits:

A. topics concerning energy, including:

1. Oil and Gas Act violations, lawsuits, penalty amounts and proposed changes;
2. establishing in statute the 98% gas capture requirement for oil and gas permits;
3. allowing for surface setbacks for oil and gas wells;
4. increasing bonding, fee and civil penalty amounts in oil and gas operations;
5. increasing rules and limits on well transfers between oil and gas operators;

6. water use and tracking in oil and gas operations, including fresh water use vs. produced water reuse, on-site and off-site use and compliance with the Produced Water Act;
7. the role of the legislature in the public and private development of hydrogen;
8. an update on the green hydrogen power plant at the Chevron Questa Mine site;
9. Energy Transition Act updates, including progress, compliance and enforcement of Public Regulation Commission regulations;
10. energy transition issues such as securing rare earth minerals and impacts to land;
11. recycling options for solar and wind projects;
12. pore space ownership and the potential to use pore space for carbon sequestration;
13. the solar tax credit application process and the funding and sustainability of the program;
14. an update on the Community Solar Program and potential for expansion;
15. updates on the renewable energy production tax credits and the new advanced energy equipment tax credit;
16. tribal energy and climate issues and opportunities for federal funding;
17. effects of solar energy development on wildlife;
18. carbon capture and sequestration;
19. water use and contamination from fracking and mining operations and the potential for fracking-related earthquakes;
20. resource adequacy, energy needs and site readiness for growth of the oil and gas industry in the southeast region and development of other industries across the state;
21. an update on the electric grid and distribution needs;
22. an update on the Community Energy Efficiency Development Program; and
23. implementation, effectiveness and permanency of methane rules;

B. topics concerning water, including:

1. implementation of the Water Security Planning Act and regional water plans;
2. a review of the New Mexico state water plan 2024;
3. an update on the status, distributions and future of the New Mexico Unit Fund;
4. an update on the strategic water reserve;
5. implementation of the Water Data Act and aquifer mapping program;
6. the Low Flow Conveyance Channel;
7. enforcement of stream access rights;
8. the waters of the United States and new successes in regional planning efforts;
9. the Colorado River Compact and potential compact dispute implications;
10. potential violations of the Rio Grande Compact;
11. the Navajo-Gallup Water Supply Project and potential use for out-of-state Navajo Nation needs;
12. methodologies and ongoing initiatives for cleaning water;
13. an overview of per- and polyfluoroalkyl substances, also known as PFAS, in our aquifers and products; potential regulatory changes to protect consumers and the environment; and ensuring compensation for contamination of private lands and wells;
14. Water Quality Act revisions, including a surface water permitting program, changes to the toxic pollutant list and federal funding to address contaminants in public water systems;
15. reports on water rights litigation and settlements, including the *Aamodt* settlement, *State of New Mexico v. Aragon* and other Indian water rights litigation and settlements and *Texas v. New Mexico*;
16. implications of the *Sackett v. Environmental Protection Agency* decision and the need for surface water monitoring and permitting programs;

17. "blue workforce development": building up the state's water infrastructure workforce;
18. water conservation policies and river management for urban agriculture; climate-resilient agriculture; and farmer and rancher perspectives on water;
19. an update on ground and storm water management and aquifer characterization;
20. an overview of river health and updates on the Active Water Resource Management Program and the River Stewardship Program;
21. water supply augmentation alternatives, including brackish water desalination, produced water reuse and the governor's strategic water supply;
22. cloud seeding;
23. aging infrastructure of rural water systems and associated risks;
24. water policy and infrastructure needs, implementation of Water Policy and Infrastructure Task Force recommendations and creation of a state Office of Water Resource Management;
25. creation of a water futures fund or water resilience fund and funding for water emergencies; and
26. the historic and cultural roots of Zuni Salt Lake and western New Mexico water issues and strategies to restore natural habitats, soil health and water systems through application of native wisdom and traditional practices;

C. topics concerning conservation, including:

1. Department of Game and Fish (NMDGF) and State Game Commission reform and fees and cattle growers' input on the NMDGF;
2. the impacts of lead bullets and tackle on wildlife;
3. a report on the development of a statewide beaver management plan as requested by Senate Memorial 4 (2014);
4. an update on the Land of Enchantment Legacy Fund;
5. "species of greatest conservation need" funding and uses;
6. wildlife policy on prairie chickens and other endangered or threatened species;

7. wildlife policy on Mexican wolves, including state and federal compensation for Mexican wolf depredation;
8. wildlife policy on elk, including the "Elk Private Lands Use System" and the NMDGF four-year elk rule;
9. budget overview of the State Parks Division of the Energy, Minerals and Natural Resources Department (EMNRD) and proposed fee increases;
10. Department of Environment (NMED) fees and funding changes as proposed by Senate Bill 228 (2024);
11. San Juan Generating Station Facility and Mine Remediation and Restoration Study Act updates;
12. creation of a community response, investigation and remediation program and fund to address abandoned contaminated sites;
13. updates on efforts to reduce wildlife-vehicle collisions and establish wildlife crossings pursuant to the Wildlife Corridors Act;
14. mining proposals in the Upper Pecos watershed;
15. updates from departmental tribal liaisons on state-tribal collaborations and cross-boundary resource management;
16. wildfire mitigation planning and the risks of downed power lines;
17. updates on *Atencio v. State of New Mexico* and other natural resources-related litigation;
18. proposed changes and efforts to preserve dark skies in New Mexico;
19. impacts of pesticides, aerial spraying and neonics;
20. progress of the Rio Grande Trail Commission;
21. creation of an animal welfare trust fund; and
22. a working group report on advancing citizen science at the state agency level; and

D. topics concerning climate and other WNRC focus areas, including:

1. the public health risks posed by extreme heat and a statewide public health and climate program as proposed by House Bill 104 (2024);
2. air quality;
3. a report from the state climatologist on weather station installations;
4. updates on the status and accessibility of the climate tax credits;
5. electric and solar power for school buses and buildings;
6. sediment and debris removal after flood events related to fires and climate change;
7. the overall costs of climate change;
8. an update from the Interagency Climate Change Task Force;
9. farming and ranching opportunities for young people, including funding for National FFA Organization training programs;
10. land stewardship and economic partnership opportunities for farmers, ranchers, food hubs and businesses;
11. updates on the governor's Food Initiative, the New Mexico Grown program and the New Mexico Food Charter and annual "report card";
12. recycling and anti-littering policies to address plastic pollution; funding opportunities for cleanup; and the impacts of single-use plastics and Styrofoam;
13. Solid Waste Act modernization and an overview of solid waste management, including the net import of landfill waste and the potential to turn waste into commodities through recycling, composting and waste-to-energy industries;
14. a Green Amendment to the Constitution of New Mexico as proposed by House Joint Resolution 4 (2024) and Senate Joint Resolution 8 (2024);
15. using compost and biochar to restore soil health and retain moisture;
16. grazing practices that restore natural habitats in the desert and the need for indigenous wisdom and experience in restoration efforts; and

17. reports from water- and natural resources-related executive agencies, including the Office of the State Engineer, Office of Natural Resources Trustee, EMNRD, NMED and NMDGF, regarding statutory reporting requirements, ongoing initiatives, legislative priorities and budget and staffing needs.

**Water and Natural Resources Committee
2024 Approved Meeting Schedule**

<u>Date</u>	<u>Location</u>
May 28	Santa Fe
July 22-23	Ruidoso*
August 26-27	Socorro
September 26-27	Red River/Questa
October 28-29	Corrales*
November 25-26	Santa Fe

*Due to the fires in the Ruidoso area, the WNRC plans to meet in Corrales in July and Ruidoso in October.

AGENDAS AND MINUTES

**MINUTES
of the
FIRST MEETING
of the
WATER AND NATURAL RESOURCES COMMITTEE**

**May 28, 2024
State Capitol, Room 307
Santa Fe**

The first meeting of the Water and Natural Resources Committee (WNRC) was called to order by Representative Matthew McQueen, chair, on Tuesday, May 28, 2024, at 1:38 p.m. in Room 307 of the State Capitol in Santa Fe.

Present

Rep. Matthew McQueen, Chair
Sen. Elizabeth "Liz" Stefanics, Vice Chair
Rep. Gail Armstrong
Rep. Kathleen Cates
Sen. Joseph Cervantes
Rep. Joanne J. Ferrary
Rep. Susan K. Herrera
Rep. Tara L. Lujan
Rep. Kristina Ortez
Rep. Andrea Romero
Rep. Debra M. Sariñana
Sen. Pat Woods
Rep. Martin R. Zamora

Advisory Members

Sen. Linda M. López
Rep. Patricia Roybal Caballero
Sen. Antoinette Sedillo Lopez
Rep. Nathan P. Small
Sen. Jeff Steinborn
Sen. Mimi Stewart

Absent

Sen. Pete Campos
Rep. Miguel P. García
Rep. Marian Matthews
Sen. Steven McCutcheon II
Rep. Larry R. Scott
Sen. Benny Shendo, Jr.

Rep. Christine Chandler
Rep. Jack Chatfield
Sen. Crystal Brantley
Rep. Candy Spence Ezzell
Rep. Jenifer Jones
Rep. Rod Montoya
Sen. Gerald Ortiz y Pino
Rep. Cristina Parajón
Sen. Shannon D. Pinto
Sen. Cliff R. Pirtle
Rep. William "Bill" R. Rehm
Rep. G. Andrés Romero
Sen. Peter Wirth

Staff

Sara Wiedmaier, Researcher, Legislative Council Service (LCS)
Tom Kricka, Staff Attorney, LCS
Angela Dakan, Staff, LCS
Michel Rivera, Law Intern, 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.

Tuesday, May 28

Welcome and Introductions (1:39 p.m.)

Representative McQueen welcomed everyone to the meeting, and committee members and staff introduced themselves.

Discussion of the 2024 Work Plan and Meeting Schedule (1:43 p.m.)

Committee members discussed and offered suggestions for revising the WNRC's work plan and meeting schedule for the 2024 interim. Representative McQueen stated his intent to focus one meeting each on water, energy and conservation, with the topics for one meeting and future meeting locations to be determined. The proposed 2024 work plan and meeting schedule can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=5/28/2024&ItemNumber=1>.

Post-Session Report: Natural Resources (2:22 p.m.)

Micaela Fischer, deputy director for program evaluation, Legislative Finance Committee (LFC), and Austin Davidson, fiscal analyst, LFC, provided a post-session overview of the General Appropriation Act of 2024, growth in the state's budget for fiscal year 2025 and recurring General Fund and other relevant appropriations for state agencies that deal with natural resources. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=5/28/2024&ItemNumber=2>.

Public Comment (3:23 p.m.)

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

Adjournment

There being no further business before the committee, the meeting adjourned at 3:32 p.m.

Revised: July 19, 2024

**TENTATIVE AGENDA
for the
SECOND MEETING
of the
WATER AND NATURAL RESOURCES COMMITTEE**

**July 22-23, 2024
WORKforce Training Center, Room 207
Central New Mexico Community College
5600 Eagle Rock Avenue NE
Albuquerque**

Monday, July 22

- 9:00 a.m. **Call to Order and Introductions**
—Representative Matthew McQueen, Chair
—Senator Elizabeth "Liz" Stefanics, Vice Chair
- 9:15 a.m. (1) **Welcome**
—Tracy Hartzler, President, Central New Mexico Community College
 (CNM)
—Nireata Seals, Ed.D., Vice President for Enrollment Management and
 Student Success, CNM
- 9:30 a.m. (2) **Climate Change: Overview of Current Science, Policy and Monitoring**
—Dave DuBois, Ph.D., State Climatologist
—Michelle Miano, Director, Environmental Protection Division,
 Department of Environment (NMED)
—Charles Goodmacher, Policy Advisor, Healthy Climate New Mexico
- 10:45 a.m. (3) **Climate Change: Health and Economic Impacts**
—Susan Nedell, Mountain West Advocate, E2
—Laura Paskus, Senior Producer, New Mexico PBS
—Laura McCarthy, State Forester, Forestry Division, Energy, Minerals and
 Natural Resources Department (EMNRD)
- 12:00 noon **Lunch**
- 1:00 p.m. (4) **Strategies to Mitigate Climate Change**
—Rebecca "Puck" Stair, Director, Energy Conservation and Management
 Division, EMNRD
—Patrick O'Connell, Chair, Public Regulation Commission
—Ryan Parks, Deputy Director, Public School Facilities Authority
—Tammy Fiebelkorn, Government Affairs Manager, Western Resources
 Advocates
—Michael Bueno, Senior Manager, State Climate Policy and Strategy,
 Environmental Defense Fund

- 2:15 p.m. (5) **Extreme Heat and Public Health**
—Lauren Reichelt, Director, Environmental Health Division, NMED
—Nathaniel Matthews-Trigg, Associate Director, Climate and Disaster Resilience, AmeriCares; Member, Healthy Climate New Mexico
—Shelley Mann-Lev, Executive Director, Healthy Climate New Mexico
—Gerilyn Antonio, Tribal Liaison, New Mexico Alliance of Health Councils
- 3:15 p.m. (6) **Air Quality: Emissions, Smoke, Dust and Health**
—JoAnna Strother, Senior Director, Advocacy-Southwest, American Lung Association
—Maxine Paul, Former Chair, Albuquerque Air Quality Control Board
—Michelle Miano, Director, Environmental Protection Division, NMED
—Brandon Edwards, Jornada Experimental Range, New Mexico State University (NMSU)
—Matthew Hurteau, Ph.D., Professor of Quantitative Ecology, University of New Mexico; Director, Center for Fire Resilient Ecosystems and Society
- 4:15 p.m. (7) **Waste Reduction, Recycling and Producer Responsibility**
—Shirlene Sitton, Chief, Solid Waste Bureau, NMED
—Sarah Pierpont, Executive Director, New Mexico Recycling Coalition
—Stephanie Levy, Co-Founder, Beyond Plastics Santa Fe; Co-Chair, Eldorado/285 Recycles
—Dawn Dewey, President and Owner, Soilutions
- 5:15 p.m. **Recess**

Tuesday, July 23

- 9:00 a.m. (8) **Overview of New Mexico Food and Agriculture Policy**
—Kendal Chavez, Food and Hunger Advisor, Office of the Governor
—Jason New, Division Director, Marketing and Development, New Mexico Department of Agriculture (NMDA)
—Erin Ortigoza, Manager, Food, Hunger and Agriculture Program, Economic Development Department
—Susan Wilger, Past Chair, New Mexico Food and Agriculture Policy Council
- 10:00 a.m. (9) **Local Food Production and Food Security**
—Helga Garza, Executive Director, Agri-Cultura Network; Chair, New Mexico Food and Agriculture Policy Council
—Denise Miller, Executive Director, New Mexico Farmers' Marketing Association
—Manny Encinas, Encinas Family Ranch; Executive Director, Santa Fe Farmers' Market Institute

- Bryce Townsend, Black Mesa Farm, Pueblo of San Felipe; Produce Prescription Program Farmer
- Meredith Lorencz, Specialist, Local Food Procurement Project, The Food Depot

11:15 a.m. (10) **Soils, Farms and Agricultural Workforce Development**

- Katie Goetz, Co-Lead, Healthy Soil Program, NMDA
- Marcos Valdez, District Manager, East Rio Arriba Soil and Water Conservation District
- James Skeet, Executive Director, Spirit Farm
- Sarah Wentzel-Fisher, Executive Director, Quivira Coalition
- Brandon Devine, Program Operations Director, FFA/Agricultural Education, College of Agricultural, Consumer and Environmental Sciences, NMSU

12:30 p.m. **Public Comment***

12:45 p.m. **Working Lunch**
Tours of Corrales Farms: Wagner, Silver Leaf and Indigenous Farm Hub

4:00 p.m. **Adjourn**

*Members of the public may make virtual public comments during the public comment period of the meeting by following the instructions under the "Virtual Public Comment" section of the Water and Natural Resources Committee [web page](#).

**MINUTES
of the
SECOND MEETING
of the
WATER AND NATURAL RESOURCES COMMITTEE**

**July 22-23, 2024
WORKforce Training Center, Room 207
Central New Mexico Community College
5600 Eagle Rock Avenue NE
Albuquerque**

The second meeting of the Water and Natural Resources Committee was called to order by Representative Matthew McQueen, chair, on July 22, 2024 at 9:07 a.m. in Room 207 of the WORKforce Training Center at Central New Mexico Community College (CNM) in Albuquerque.

Present

Rep. Matthew McQueen, Chair
Sen. Elizabeth "Liz" Stefanics, Vice Chair
Rep. Gail Armstrong
Sen. Pete Campos
Rep. Kathleen Cates
Rep. Miguel P. García (7/22)
Rep. Susan K. Herrera (7/23)
Rep. Tara L. Lujan
Rep. Marian Matthews
Rep. Kristina Ortez
Rep. Andrea Romero
Rep. Debra M. Sariñana
Rep. Larry R. Scott
Sen. Pat Woods
Rep. Martin R. Zamora (7/22)

Advisory Members

Rep. Christine Chandler
Sen. Linda M. López
Rep. Cristina Parajón (7/23)
Sen. Shannon D. Pinto (7/23)
Rep. William "Bill" R. Rehm
Sen. Mimi Stewart (7/22)

Absent

Sen. Joseph Cervantes
Rep. Joanne J. Ferrary
Sen. Steven McCutcheon II
Sen. Benny Shendo, Jr.

Sen. Crystal Brantley
Rep. Jack Chatfield
Rep. Candy Spence Ezzell
Rep. Jenifer Jones
Rep. Rod Montoya
Sen. Gerald Ortiz y Pino
Sen. Cliff R. Pirtle
Rep. G. Andrés Romero
Rep. Patricia Roybal Caballero
Sen. Antoinette Sedillo Lopez
Rep. Nathan P. Small

Sen. Jeff Steinborn
Sen. Peter Wirth

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

Staff

Sara Wiedmaier, Researcher, Legislative Council Service (LCS)
Tom Kricka, Staff Attorney, LCS
Angela Dakan, Staff, LCS
Andrea Martinez Cordero, Intern, LCS

Guests

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Monday, July 22

Welcome and Introductions (9:07 a.m.)

Representative McQueen welcomed everyone, and committee members introduced themselves.

Welcome to CNM (9:23 a.m.)

Tracy Hartzler, president, CNM, welcomed the committee and highlighted CNM's workforce training for the development of technologies and projects focused on the San Juan and Rio Grande watersheds through a National Science Foundation grant for water and energy security transformation. These programs will benefit the state's goal of protecting water assets while growing essential agribusiness industries.

Climate Change: Overview of Current Science, Policy and Monitoring (9:42 a.m.)

Dave DuBois, Ph.D., state climatologist, presented on the data sources the state uses to determine trends in climate-change-related weather events such as increased temperatures, droughts, dust storms, heat waves and wildfires. He described ZiaMet, a statewide network of automated weather stations, and stressed the need to install more stations to help fill in data gaps.

Claudia Borchert, chief, Climate Change Bureau, Environmental Protection Division (EPD), Department of Environment (NMED), talked about the state's greenhouse gas emissions (GHG) inventory, which measures the state's progress toward its goal of reducing emissions by 45% from 2005 levels by 2030. She discussed the clean fuel transportation standard program and the use of federal funds to address climate change and air quality while expanding the economy and growing quality jobs.

Charles Goodmacher, policy advisor, Healthy Climate New Mexico, presented on the public health impacts of climate change and the challenges with environmental data that affect response efforts related to environmental emergencies. His recommendations included better data reporting on deaths related to wildfires and other climate events and establishing occupational air quality standards.

The presentation materials can be found here: <https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=7/22/2024&ItemNumber=2>.

Climate Change: Health and Economic Impacts (11:10 a.m.)

Susan Nedell, mountain west advocate, E2, presented about the economic impacts of climate disasters and the sectors that are seeing growth in clean energy jobs. She noted that clean energy jobs pay 25% more than the national median wage and that opportunities for the workforce and entrepreneurs in the clean energy economy are growing.

Laura Paskus, senior producer, New Mexico PBS, spoke about the long-term economic and public health impacts, including mental health impacts, of climate-related events and stated the need for better accounting of impacts from the oil and gas industry.

Laura McCarthy, state forester, Forestry Division, Energy, Minerals and Natural Resources Department (EMNRD), presented statistics on wildfires in the state and discussed options for mitigating wildfire damage, including developing a wildfire risk map, updating building codes, retrofitting homes and updating the fire planning task force membership.

The presentation materials can be found here: <https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=7/22/2024&ItemNumber=3>.

Strategies to Mitigate Climate Change (1:04 p.m.)

Rebecca "Puck" Stair, director, Energy Conservation and Management Division, EMNRD, talked about the governor's Climate Change Task Force, the federal Climate Pollution Reduction Grant and mitigation efforts to reach the state's emissions-reduction targets.

Patrick O'Connell, chair, Public Regulation Commission (PRC), presented the PRC's *2024 Report to the Legislature on the Renewable Portfolio Standard (RPS)* and discussed barriers to achieving the RPS, including utility compliance and supply-chain, technology innovation and diversification issues. Despite this, he said that the RPS program is expected to successfully reach the next major milestone of 40% renewable energy production in 2025.

Ryan Parks, deputy director, Public School Facilities Authority, talked about how public schools can help reduce GHGs by renovating existing buildings, using sustainable materials for new construction, designing with future renovations in mind and installing photovoltaic and high-performance building envelope systems.

Tammy Fiebelkorn, government affairs manager, Western Resources Advocates, discussed the state's tax credits that incentivize decarbonization, including the clean car tax credits, and ways to make the credits more effective.

Michael Bueno, senior manager, State Climate Policy and Strategy, Environmental Defense Fund, spoke about public support in New Mexico for an aggressive state climate change policy, the critical role that states play in ensuring a safer climate future for the nation and the leveraging of federal investments.

The presentation materials can be found here: <https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=7/22/2024&ItemNumber=4>.

Extreme Heat and Public Health (2:28 p.m.)

Lauren Reichelt, director, Environmental Health Division, NMED, detailed the rising number of heat-related emergencies and deaths and the impacts of extreme heat on workers, businesses and health care systems. She explained that statistics on heat-related events are incomplete due to chronic or delayed impacts that are not recognized as heat related in emergency rooms. She discussed how businesses can reduce heat-related emergencies and how the legislature can help the state gather better data on this issue.

Nathaniel Matthews-Trigg, associate director, Climate and Disaster Resilience, AmeriCares, and board member, Healthy Climate New Mexico, talked about combating heat-related deaths by identifying vulnerable populations and barriers to protection. He recommended requiring evidence-based safety protocols for high-risk occupations, modernizing public health surveillance systems, developing community cooling programs and preparing for concurrent hazards.

Shelley Mann-Lev, executive director, Healthy Climate New Mexico, discussed the importance of using legislation to address extreme heat and described proposed legislation that would create a climate resiliency fund and programs at the Department of Health to support climate-related public health actions and improve interagency collaboration.

Gerilyn Antonio, tribal liaison, New Mexico Alliance of Health Councils, discussed heat-related public health issues experienced by counties and tribal communities and initiatives to address those issues. She said that challenges for health councils include collecting climate-related health data from tribal communities and lack of full-time staff with technical expertise in climate-related emergency response planning.

The presentation materials can be found here: <https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=7/22/2024&ItemNumber=5>.

Air Quality: Emissions, Smoke, Dust and Health (3:09 p.m.)

JoAnna Strother, senior director, Advocacy-Southwest, American Lung Association (ALA), presented the ALA's 2024 national air quality report card and noted the key findings for New Mexico and ways individuals can protect themselves.

Maxine Paul, former chair, Albuquerque Air Quality Control Board, discussed how the new clean cars and trucks rules can reduce GHGs and provide other societal benefits. She also spoke of the need for a faster buildout of electric vehicle (EV) charging networks in rural areas and rebates to incentivize the purchase of EVs.

Dana Bahar, deputy director, EPD, NMED, presented fire, smoke and methane emissions maps and talked about the challenge of staffing capacity at the EPD, which has not grown with the permitting workload, so the division has been relying on contract workers to fulfill its statutory and regulatory duties.

Brandon Edwards, Jornada Experimental Range, New Mexico State University (NMSU), spoke about how wind erosion and dust emission is exacerbated by transitions in rangeland vegetation and how pervasive changes exacerbate extreme climate events. He described some tools to address wind erosion and said that with data-driven management and effective restoration, there is potential for dust reduction.

Matthew Hurteau, Ph.D., professor of quantitative ecology, University of New Mexico, and director, Center for Fire Resilient Ecosystems and Society, talked about the differences between prescribed fire and wildfire impacts to human and forest health. He said that prescribed fires are essential to manage the amount of fuel, timing of ignition and area burned and thereby reduce smoke pollution and health impacts overall.

The presentation materials can be found here: <https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=7/22/2024&ItemNumber=6>.

Waste Reduction, Recycling and Producer Responsibility (4:21 p.m.)

Shirlene Sitton, chief, Solid Waste Bureau, NMED, spoke about the bureau's main functions and funding and staffing needs. She said that the bureau is working on updating the state's solid waste management plan and legislative proposals that include producer responsibility in product management through a product's lifecycle.

Sarah Pierpont, executive director, New Mexico Recycling Coalition, talked about the issue of low-value plastics in the recycling process. She recommended passing a single-use-plastic prevention law that bans the most egregious single-use plastic items and the sale of toxic items such as mercury-containing light bulbs, which are hazardous to workers.

Stephanie Levy, co-founder, Beyond Plastics Santa Fe, and co-chair, Eldorado/285 Recycles, discussed chemicals found in plastic products, concerns about microplastics and why chemical recycling is ineffective and can be harmful to workers and communities. She recommended that the state impose plastic reduction measures and incentivize residents to reduce consumption.

Dawn Dewey, president and owner, Soilutions, presented on Soilutions's operation that diverts organic waste from landfills and transforms it into compost, soil and mulch. She said that they partner with corporations such as Walmart to divert large amounts of food waste but currently need more yard waste for the proper compost ratio and that a ban on yard debris going into the landfill would help their efforts.

The presentation materials can be found here: <https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=7/22/2024&ItemNumber=7>.

Recess

The meeting recessed at 5:28 p.m.

Tuesday, July 23

Reconvene

The meeting reconvened at 9:06 a.m.

Overview of New Mexico Food and Agriculture Policy (9:07 a.m.)

Kendal Chavez, food and hunger advisor, Office of the Governor, presented on the interagency initiatives related to the state's food system. She stated key priorities that include promoting the New Mexico Grown and Universal School Meals programs and the funding and longevity of community food-access programs.

Jason New, division director, Marketing and Development, New Mexico Department of Agriculture (NMDA), gave an overview of the agriculture industry, the division's role in publishing production data and challenges, including drought, workforce, broadband access, production costs and the shortage of veterinarians in rural areas. He discussed food initiatives and other ways that the NMDA is working to create a resilient food system.

Erin Ortigoza, manager, Food, Hunger and Agriculture Program, Economic Development Department, talked about the mission and target industries of the program, which include small- to mid-scale farms and value-added agriculture operations. She described funding sources and provided a spotlight of recent awardees of the Healthy Food Financing Fund.

Susan Wilger, past chair, New Mexico Food and Agriculture Policy Council, talked about the *Food Charter Report Card for 2023-2024*, which evaluates the impacts of food policies and programs over time. She listed legislative priorities of the council and existing programs that support food security and promote nutrient-rich, locally grown foods.

The presentation materials can be found here: <https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=7/22/2024&ItemNumber=8>.

Local Food Production and Food Security (10:16 a.m.)

Denise Miller, executive director, New Mexico Farmers' Marketing Association, presented on the Double Up Food Bucks program, the FreshRx produce prescription program and the New Mexico Grown Approved Supplier Program, all of which support farmers, ranchers and food producers and nutrition access for vulnerable populations.

Manny Encinas, Encinas Family Ranch, and executive director, Santa Fe Farmers' Market Institute, spoke about the institute's focus on equitable access to locally grown food and the benefits of the federal Supplemental Nutrition Assistance Program and Double Up Food Bucks program. He said the institute plans to continue partnering with state and federal agencies to provide more access to fresh, locally grown food.

Bryce Townsend, Black Mesa Farm, Pueblo of San Felipe, spoke about his fourth-generation family farm, discussed logistics of the FreshRx program and described how his farm and other partners were able to deliver food packages to 10 pueblo communities in the first two years of participation in the program.

Meredith Lorencz, specialist, Local Food Procurement Project, The Food Depot, spoke about the Regional Farm to Food Bank program, a federally funded program that provides economic support to regional small- to mid-scale food producers to supply local emergency food networks that has received national recognition for maintaining advantageous pricing for farmers and has improved retention of more locally produced food within the state.

The presentation materials can be found here: <https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=7/22/2024&ItemNumber=9>.

Soils, Farms and Agricultural Workforce Development (11:11 a.m.)

Katie Goetz, co-lead, Healthy Soil Program, NMDA, discussed the role of the Healthy Soil Program in promoting farming, ranching and other land management approaches that improve the health, yield and profitability of the soils of the state. The program provides grants, soil assessments, research, education and capacity building for eligible entities.

Marcos Valdez, district manager, East Rio Arriba Soil and Water Conservation District, discussed programs such as a farm equipment rental program, noxious weed control program and youth mapping project. He listed some challenges for the conservation district that include the need for more field staff and administrative support for grant funding.

James Skeet, executive director, Spirit Farm, spoke about incorporating indigenous and regenerative practices into growing food and the connection between soil health and nutrient levels in produce. He explained the importance of amending soil with microbial-rich compost

and biochar to develop fertile soils, using cover crops, fermenting animal feed and applying ancient wisdom while embracing innovation to keep soils healthy and grow nutritious food.

Zach Withers, co-owner, Polk's Folly Farm, talked about his small-scale livestock production farm and local food store in Cedar Crest. He echoed the importance of connecting agriculture with ecosystem management and programs that help farmers choose conservation as a standard and produce food in a way that builds soil health and protects natural resources. He recommended providing more funding for agricultural programs, loosening Anti-Donation Clause barriers, increasing market access for local meat producers and supporting compost and biochar production at the state and municipal levels.

Brandon Devine, program operations director, FFA/Agricultural Education, College of Agricultural, Consumer and Environmental Sciences, NMSU, talked about the model of school-based agricultural education that includes classroom learning, work-based learning and leadership, personal growth and career development. He said that there is a higher graduation rate among students involved in career and technical education and more than 300 unique careers in agriculture for which the college is preparing students. He recommended funding agriculture education and expressed the need for more meat processing laboratories to provide hands-on learning to students.

The presentation materials can be found here: <https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=7/22/2024&ItemNumber=10>.

Approval of Minutes (12:28 p.m.)

Upon a motion made and seconded, and with no objections, the committee approved the minutes of the May 28, 2024 meeting.

Public Comment (12:29 p.m.)

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

Working Lunch and Tours of Corrales Farms: Wagner, Silver Leaf and Indigenous Farm Hub (12:43 p.m.)

Committee members toured farms in Corrales and heard about issues related to water infrastructure, growing food for local schools and community-supported agriculture.

Adjournment

There being no further business before the committee, the meeting adjourned at 4:45 p.m.

Revised: August 23, 2024

**TENTATIVE AGENDA
for the
THIRD MEETING
of the
WATER AND NATURAL RESOURCES COMMITTEE**

**August 26-27, 2024
New Mexico Institute of Mining and Technology
Fidel Center, Ballroom B and C
801 Leroy Place
Socorro**

Monday, August 26

- 9:00 a.m. **Call to Order and Introductions**
—Representative Matthew McQueen, Chair
—Senator Elizabeth "Liz" Stefanics, Vice Chair
- 9:15 a.m. (1) **Welcome**
—Michael Jackson, Ph.D., Provost and Vice President for Academic
 Affairs, New Mexico Institute of Mining and Technology (NMIMT)
- 9:25 a.m. (2) **Introduction of New State Engineer**
—Elizabeth Anderson, State Engineer, Office of the State Engineer (OSE)
- 9:45 a.m. (3) **50-Year Water Plan: Overview and Funding**
—Rebecca Roose, Infrastructure Advisor, Office of the Governor
—Tanya Trujillo, Deputy State Engineer, OSE
- 10:45 a.m. (4) **"Strategic Water Supply": Brackish and Produced Water**
—Rebecca Roose, Infrastructure Advisor, Office of the Governor
—James Kenney, Secretary, Department of Environment (NMED)
—Tricia Snyder, Program Director, Rivers and Waters, New Mexico Wild
—Tannis Fox, Senior Attorney, Western Environmental Law Center
—Norm Gaume, P.E. (retired), President, Water Advocates for New Mexico
 and the Middle Rio Grande
- 12:15 p.m. **Lunch**
- 1:00 p.m. (5) **Strategic Water Reserve: Funding and Proposed Changes**
—Hannah Riseley-White, Director, Interstate Stream Commission (ISC)
—Martha Schumann Cooper, Freshwater Program Director, The Nature
 Conservancy-New Mexico
—Anjali Bean, Senior Policy Analyst, Healthy Rivers, Western Resource
 Advocates

- 2:00 p.m. (6) [Indian Water Rights Litigation and Settlements](#)
—Nathaniel "Nat" Chakeres, General Counsel, OSE
—Tanya Trujillo, Deputy State Engineer, OSE
—Larry Phillips, Jr., Governor, Ohkay Owingeh
—Darel Madrid, President, Rio de Chama Acequia Association
- 3:00 p.m. (7) [Low Flow Conveyance Channel](#)
—Hannah Riseley-White, Director, ISC
—Jason Casuga, Chief Engineer and Chief Executive Officer (CEO),
Middle Rio Grande Conservancy District (MRGCD)
—Jennifer Faler, Manager, Albuquerque Area Office, United States Bureau
of Reclamation
—Gina Dello Russo, Friends of Bosque del Apache
—Daniel Timmons, Rio Grande Waterkeeper and Wild Rivers Program
Director, WildEarth Guardians
- 4:15 p.m. (8) [Compact Compliance: Rio Grande and Colorado River](#)
—Hannah Riseley-White, Director, ISC
—Estevan Lopez, Commissioner, Upper Colorado River Commission
—Jason Casuga, Chief Engineer and CEO, MRGCD
—Samantha Barncastle, General Counsel, Elephant Butte Irrigation District
(EBID)
—Anjali Bean, Senior Policy Analyst, Healthy Rivers, Western Resource
Advocates

5:15 p.m. **Recess**

Tuesday, August 27

- 9:00 a.m. (9) [Surface Water Permitting and Water Quality Act Revisions](#)
—Shelly Lemon, Chief, Surface Water Quality Bureau, NMED
—Rachel Conn, Deputy Director, Amigos Bravos
—Vidal Gonzales, Community Planner and Governance Specialist, New
Mexico Acequia Association (NMAA)
- 10:15 a.m. (10) [Regional Water Planning](#)
—Hannah Riseley-White, Director, ISC
—Andrew Erdmann, Water Planning Program Manager, ISC
—Paula Garcia, Executive Director, NMAA; Member, Protect New Mexico
Waters Coalition
—Bill Connor, Executive Director, New Mexico Rural Water Association
—Ladona Clayton, Executive Director, Ogallala Land and Water
Conservancy
- 11:30 a.m. (11) [Water Data Act and Aquifer Mapping Program](#)
—Stacy Timmons, Associate Director, Hydrogeology, New Mexico Bureau
of Geology and Mineral Resources, NMIMT

—Katie Zemlick, Chief, Hydrology Bureau, OSE
—Phil King, P.E., Technical Advisor, OSE; Ambassador, New Mexico
Water Ambassadors

12:30 p.m. **Lunch**

1:15 p.m. (12) **Production Strategies: Cloud Seeding and Water Harvesting**
—Mike Cone, Chair, Roosevelt Soil and Water Conservation District
 (RSWCD)
—George Bomar, Meteorologist, RSWCD
—Phoebe Suina, Commissioner, ISC
—Scott Lopez, New Mexico Advisor, Source
—Colin Goddard, Vice President, Business Development, Source

2:15 p.m. (13) **Conservation Policies and Water Management in Agriculture**
—Jason Casuga, Chief Engineer and CEO, MRGCD
—Gary Esslinger, Manager, EBID
—Don Bustos, Member, NMAA; Owner, Santa Cruz Farm and
 Greenhouses
—Chili Yazzie, Member, New Mexico Food and Agriculture Policy Council

3:15 p.m. **Public Comment***

3:30 p.m. **Adjourn**

*Members of the public may make virtual public comments during the public comment period of the meeting by following the instructions under the "Virtual Public Comment" section of the Water and Natural Resources Committee [web page](#).

MINUTES
of the
THIRD MEETING
of the
WATER AND NATURAL RESOURCES COMMITTEE

August 26-27, 2024
New Mexico Institute of Mining and Technology
Fidel Center, Ballroom B and C
801 Leroy Place
Socorro

The third meeting of the Water and Natural Resources Committee was called to order by Senator Elizabeth "Liz" Stefanics, vice chair, on August 26, 2024 at 9:38 a.m. at the New Mexico Institute of Mining and Technology (NMIMT) in Socorro.

Present

Rep. Matthew McQueen, Chair
Sen. Elizabeth "Liz" Stefanics, Vice Chair
Rep. Gail Armstrong
Sen. Pete Campos
Rep. Kathleen Cates
Rep. Joanne J. Ferrary (8/26)
Rep. Tara L. Lujan
Rep. Marian Matthews
Rep. Kristina Ortez
Rep. Andrea Romero
Rep. Debra M. Sariñana
Rep. Martin R. Zamora

Advisory Members

Sen. Linda M. López
Rep. William "Bill" R. Rehm
Sen. Antoinette Sedillo Lopez
Sen. Mimi Stewart (8/26)

Absent

Sen. Joseph Cervantes
Rep. Miguel P. García
Rep. Susan K. Herrera
Sen. Steven McCutcheon II
Rep. Larry R. Scott
Sen. Pat Woods

Sen. Crystal Brantley
Rep. Christine Chandler
Rep. Jack Chatfield
Rep. Candy Spence Ezzell
Rep. Jenifer Jones
Rep. Rod Montoya
Sen. Gerald Ortiz y Pino
Rep. Cristina Parajón
Sen. Shannon D. Pinto
Sen. Cliff R. Pirtle
Rep. G. Andrés Romero
Rep. Patricia Roybal Caballero
Sen. Benny Shendo, Jr.
Rep. Nathan P. Small
Sen. Jeff Steinborn
Sen. Peter Wirth

Guest Legislators

Rep. Micaela Lara Cadena

Rep. Willie D. Madrid

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

Staff

Sara Wiedmaier, Researcher, Legislative Council Service (LCS)

Tom Kricka, 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 26

Welcome and Introductions (9:38 a.m.)

Senator Stefanics thanked the NMIMT for hosting the meeting, and Michael Jackson, Ph.D., provost and vice president for academic affairs, NMIMT, welcomed the committee and spoke about the institute's academic and research programs. Senator Stefanics then asked committee members and staff to introduce themselves.

Introduction of New State Engineer (10:00 a.m.)

Elizabeth Anderson, state engineer, Office of the State Engineer (OSE), introduced herself as New Mexico's first female state engineer and discussed her background and the experience she will bring to the state.

50-Year Water Plan: Overview and Funding (10:26 a.m.)

Rebecca Roose, infrastructure advisor, Office of the Governor, and Tanya Trujillo, deputy state engineer, OSE, discussed how the state can manage the anticipated freshwater shortage over the next 50 years, including water conservation, developing new water supplies and recruiting a strong water workforce. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=8/26/2024&ItemNumber=3>.

"Strategic Water Supply": Brackish and Produced Water (11:22 a.m.)

Ms. Roose and James Kenney, secretary, Department of Environment (NMED), provided an overview of the governor's Strategic Water Supply initiative that includes a target of 100,000 acre-feet of new water for clean energy production by 2028 and 50,000 acre-feet of treated brackish water for aquifer and surface water augmentation by 2035.

Tricia Snyder, program director, Rivers and Waters, New Mexico Wild, discussed concerns about where brackish water exists, how difficult it would be to extract and desalinate and the impacts of those activities on shallow aquifers and surface waters.

Tannis Fox, senior attorney, Western Environmental Law Center, discussed the known contaminants in and stated the need for more research on the use of produced water. She recommended developing water quality standards, limiting the use of freshwater in oil and gas operations and diversifying the composition of the New Mexico Produced Water Research Consortium.

Norm Gaume, P.E. (retired), president, Water Advocates for New Mexico and the Middle Rio Grande, discussed improving the vetting of proposed water projects and recommended enforcement of existing environmental permit requirements and regulations for off-oil-field uses of produced water. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=8/26/2024&ItemNumber=4>.

Approval of Minutes (1:19 p.m.)

On a motion made and seconded, and without opposition, the minutes of the July 22-23, 2024 meeting were approved as submitted.

Strategic Water Reserve (SWR): Funding and Proposed Changes (1:20 p.m.)

Hannah Riseley-White, director, Interstate Stream Commission (ISC), presented updates on the SWR, which allows the ISC to acquire water rights for interstate compact compliance and efforts to protect local endangered species. She said that the state needs to prepare for 25% less water in rivers and aquifers by 2070, that the SWR is critical to supporting future stream flows and that sufficient and sustained funding is needed to support successful water rights purchases.

Martha Schumann Cooper, freshwater program director, The Nature Conservancy-New Mexico, shared an update on how the SWR and other public and private funding is being used for compact compliance, to address water scarcity and to protect endangered fish species in the Colorado River Basin.

Anjali Bean, senior policy analyst, Healthy Rivers, Western Resource Advocates, discussed improving the effectiveness of the SWR, including creating a permanent fund for the

reserve, lifting administrative burdens on willing sellers and expanding the reserve's purpose to allow water rights acquisitions for outdoor recreation. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=8/26/2024&ItemNumber=5>.

Indian Water Rights Litigation and Settlements (2:07 p.m.)

Ms. Trujillo and Nathaniel "Nat" Chakeres, general counsel, OSE, provided an overview of settled Indian water rights claims, federal and state future funding commitments, current negotiations and the implementation of existing settlements.

Larry Phillips, Jr., governor, Ohkay Owingeh, and Darel Madrid, president, Rio de Chama Acequia Association, discussed resolving water rights issues with the state and federal governments and expressed a need for infrastructure restoration projects to address the impacts of climate change. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=8/26/2024&ItemNumber=6>.

Low Flow Conveyance Channel (LFCC) (2:46 p.m.)

Jennifer Faler, manager, Albuquerque Area Office, United States Bureau of Reclamation (USBR), provided an overview of projects within the Rio Grande's San Acacia Reach, including river realignments near the Bosque del Apache National Wildlife Refuge (NWR), and discussed the LFCC's current purpose, operations and goals.

Jason Casuga, chief engineer and chief executive officer, Middle Rio Grande Conservancy District (MRGCD), talked about what should happen with the water the USBR controls near Elephant Butte, how the Rio Grande Compact limits the ability to store water and how the LFCC should feed back into the Rio Grande the same as other tributaries.

Ms. Riseley-White talked about the LFCC being one of many tools, including leveraging federal and state funding, to address the state's water challenges and the critical nature of examining the entire San Acacia Reach to find where conveyance and habitat could be improved.

Gina Dello Russo, Friends of Bosque del Apache, spoke about the LFCC's relationship to the Bosque del Apache NWR and the importance of identifying thresholds where negative impacts to riparian habitats could be irreversible.

Daniel Timmons, Rio Grande waterkeeper and wild rivers program director, WildEarth Guardians, discussed alternatives to using the LFCC, including the SWR, incentives to shift to low water-use crops, improvements in irrigation infrastructure and adequate staffing to support regional water planning. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=8/26/2024&ItemNumber=7>.

Compact Compliance: Rio Grande and Colorado River (3:51 p.m.)

Ms. Riseley-White discussed the state's obligations under the Rio Grande and Colorado River compacts, how prepared the state's regulatory framework is for the management of surface and ground waters and the potential transformative impact of the Water Security Planning Act on regional water planning. Estevan Lopez, commissioner, Upper Colorado River Commission, provided updates on the Colorado River conditions for upper division states, including anticipated actions to take after interim guidelines for lower basin shortages expire in 2026.

Mr. Casuga said that complying with the Rio Grande Compact is in the state's best interest in order to avoid sustained curtailments and be able to store more native water. He also asked what the incentive for water conservation is when water that is conserved does not end up back in the river.

Samantha Barncastle, general counsel, Elephant Butte Irrigation District (EBID), discussed the importance of reducing the depletion of ground water, how pumping ground water negatively impacts the availability of surface water and ways in which the EBID has been studying and implementing sustainable infrastructure improvement and conservation programs, including harnessing storm water and creating and enhancing existing flood control structures.

Ms. Bean explained how artificially low river flows and persistent drought creates a snowball effect with the buildup of silt and flooding and ultimately results in the inability to release water downstream. She stated that healthy, flowing rivers provide direct benefits to habitat and compact compliance. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=8/26/2024&ItemNumber=8>.

Recess

The meeting recessed at 5:20 p.m.

Tuesday, August 27

Reconvene

The meeting reconvened at 9:05 a.m.

Surface Water Permitting and Water Quality Act Revisions (9:09 a.m.)

Shelly Lemon, chief, Surface Water Quality Bureau, NMED; Rachel Conn, deputy director, Amigos Bravos; and Vidal Gonzales, community planner and governance specialist, New Mexico Acequia Association (NMAA), discussed the impact of the *Sackett v. Environmental Protection Agency* (EPA) decision, which likely removes many of the state's waters from protections under the federal Clean Water Act. Ms. Lemon discussed the development of a state surface water discharge permitting program and the need to enact a new state statute that meets EPA requirements for point source discharges. Ms. Conn presented on worst-case scenarios for the state waters that are under threat of losing federal protections and echoed the importance of a state permitting program. Mr. Gonzales spoke about his service on the NMED's Surface Water Advisory Panel in benefit of acequias and the important role clean

acequias play in the traditions and culture of New Mexico. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=8/26/2024&ItemNumber=9>.

Regional Water Planning (10:20 a.m.)

Ms. Riseley-White and Sara Fox, P.E., senior water planner, ISC, gave an update on the implementation of the Water Security Planning Act, including public engagement campaign highlights and a time line that projects drafted rules and adoption of guidelines by spring of 2025. Ms. Riseley-White highlighted investments in water projects in the Southwest region through the New Mexico Unit Fund.

Paula Garcia, executive director, NMAA, and member, Protect New Mexico Waters Coalition, discussed the major role acequias play in local-level water management and the NMAA's approach to water planning, including building capacity for acequia associations with decision support tools and a guidebook for acequia representation in regional water planning.

Bill Connor, executive director, New Mexico Rural Water Association, discussed issues with small rural public water systems, including representation in the water planning process and getting volunteer stakeholders involved. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=8/26/2024&ItemNumber=10>.

Water Data Act and Aquifer Mapping Program (11:22 a.m.)

Stacy Timmons, associate director, Hydrogeology, Bureau of Geology and Mineral Resources, NMIMT, presented on water data collection challenges, including the complexity of the state's geology that makes ground water hard to map and the lack of sufficient wells for monitoring the characterization and level of ground water around the state.

Katie Zemlick, chief, Hydrology Bureau, OSE, discussed the OSE's role in the development of administrative hydrologic models to study the characterization and levels of ground water over time and the need for improved models to enhance consistency of water rights application evaluations.

Phil King, P.E., technical advisor, OSE, and ambassador, New Mexico Water Ambassadors, spoke about his various roles in water planning and consultation over the years, the bleak outlook from a climate study report that he co-authored in 2022 and his assertion that major action is needed by the state to better manage ground water systems. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=8/26/2024&ItemNumber=11>.

Production Strategies: Cloud Seeding and Water Harvesting (1:24 p.m.)

Rick Ledbetter, Roosevelt Soil and Water Conservation District (RSWCD), and George Bomar, meteorologist, RSWCD, discussed a current rain enhancement project in Roosevelt County, how cloud seeding works and data that suggests that cloud-seeded storms generate more rainwater than natural storms.

Phoebe Suina, commissioner, ISC, talked about the importance of including Indigenous voices and traditional ecological and hydrological knowledge from Indigenous communities as the state makes decisions regarding the approach to water planning and other climate issues.

Scott Lopez, New Mexico advisor, Source, and Colin Goddard, vice president, Business Development, Source, discussed solar atmospheric water harvesting to bring drinking water to rural areas and raised issues with the Anti-Donation Clause of the Constitution of New Mexico that could affect the ability of Source to partner with the state. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=8/26/2024&ItemNumber=12>.

Conservation Policies and Water Management in Agriculture (2:28 p.m.)

Mr. Casuga discussed the MRGCD's partnerships that optimize water for agriculture and ecosystems in the middle Rio Grande, including voluntary fallowing, irrigation efficiency, infrastructure upgrades and optimized water conveyance systems.

Ms. Barncastle talked about the EBID's federally funded Depletion Reduction and Offset Program, which enables municipal and industrial water users to apply innovative technologies and farming practices to create and enhance production of water-saving commodities while reducing ground water use.

Don Bustos, member, NMAA and owner, Santa Cruz Farm and Greenhouses, discussed development of a restoration plan to facilitate local water-sharing economic opportunities and address the threats of catastrophic climate events, aquifer depletion and other impacts to the Santa Cruz River watershed.

Chili Yazzie, member, New Mexico Food and Agriculture Policy Council, shared the policy council's water statement that included support of funding conservation easements to ensure that lands remain in agricultural production and farmers retain their water rights. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=8/26/2024&ItemNumber=13>.

Public Comment (3:31 p.m.)

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

Adjournment

There being no further business before the committee, the meeting adjourned at 4:35 p.m.

Revised: September 25, 2024

**TENTATIVE AGENDA
for the
FOURTH MEETING
of the
WATER AND NATURAL RESOURCES COMMITTEE**

**September 26-27, 2024
Alta Vista Elementary School
HWY 522, #4 Wildcat Road
Questa**

Thursday, September 26

- 9:00 a.m. **Call to Order and Introductions**
—Representative Matthew McQueen, Chair, Water and Natural Resources
Committee (WNRC)
—Senator Elizabeth "Liz" Stefanics, Vice Chair, WNRC
- 9:15 a.m. (1) **Welcome**
—John Ortega, Mayor, Village of Questa
- 9:25 a.m. (2) **Species of Greatest Conservation Need: Funding and Uses**
—Jon Hayes, Vice President and Executive Director, Audubon Southwest
—Michael Sloane, Director, Department of Game and Fish (DGF)
—Kevin Bixby, Founder and Senior Advisor, Wildlife for All
- 10:25 a.m. (3) **DGF and State Game Commission Reform**
—Jessica Johnson Shelton, Senior Program and Policy Strategist, Animal
Protection New Mexico
—Michael Sloane, Director, DGF
—Jesse Deubel, Executive Director, New Mexico Wildlife Federation
- 11:45 a.m. (4) **State Parks: Broad Canyon Report and Proposed Fee Increases**
—Toby Velasquez, Director, State Parks Division (SPD), Energy, Minerals
and Natural Resources Department (EMNRD)
—Jared Langenegger, Chief, Field Operations Bureau, SPD, EMNRD
—Colleen Baker, Deputy Director, SPD, EMNRD
—Selena Connealy, Chair, State Parks Advisory Board
- 12:45 p.m. **Lunch**

- 1:30 p.m. (5) **Beaver Management and Restoration**
—Karen Menetrey, Director, Ecological Opportunities, Rio Grande Return
—Emily Fairfax, Ph.D., Assistant Professor, University of Minnesota
—Michael Sloane, Director, DGF
—Chris Smith, Wildlife Program Director, WildEarth Guardians
- 2:30 p.m. (6) **Land of Enchantment Legacy Fund: Progress and Challenges**
—Jonathan Hayden, Executive Director, New Mexico Land Conservancy
—Jacob Pederson, Chief, Resource Management Bureau, Forestry Division, EMNRD
—Sam Ferguson, River Stewardship Program Coordinator, Department of Environment
—Katie Goetz, Co-Lead, Healthy Soil Program, New Mexico Department of Agriculture
—AJ Jones, Deputy Director, New Mexico Outdoor Recreation Division, Economic Development Department
—Michael Sloane, Director, DGF
- 4:00 p.m. (7) **Wildlife: Corridors and Crossings; Impacts from Solar Development**
—James Hirsch, Wildlife Coordinator, Department of Transportation (DOT)
—Trent Botkin, Manager, Natural Resources Section, DOT
—Michael Dax, Western Program Director, Wildlands Network

5:00 p.m. **Recess**

Friday, September 27

- 9:00 a.m. (8) **Stream Access Enforcement**
—James Grayson, Chief Deputy Attorney General, State Department of Justice
—Jesse Deubel, Executive Director, New Mexico Wildlife Federation
—Sherry Barrett, Chair, New Mexico Paddlers Coalition
- 10:15 a.m. (9) **Preserving Dark Skies in New Mexico**
—Peter Lipscomb, Vice Chair, New Mexico Chapter, DarkSky International
—Galen Gisler, Council Member, New Mexico Chapter, DarkSky International
- 11:00 a.m. (10) **Pesticides: Aerial Spraying and Neonics**
—Steve Baca, Assistant Director, Division of Agricultural and Environmental Services, New Mexico Department of Agriculture
—Sharon Selvaggio, Specialist, Pesticide Program, The Xerces Society for Invertebrate Conservation
—Charles Hibner, Owner and Range Manager, Hibner Ranch

- 12:00 noon **Lunch**
- 1:00 p.m. (11) **Impacts of Lead Bullets and Tackle**
—Jesse Deubel, Executive Director, New Mexico Wildlife Federation
—Dan Roper, New Mexico Program Lead, Trout Unlimited
- 1:30 p.m. (12) **Equine and Animal Welfare Trust Fund**
—Jessica Johnson Shelton, Senior Program and Policy Strategist, Animal
Protection New Mexico
—Stacie Voss, Director, Animal Welfare, Farmington Regional Animal
Shelter; Chair, Animal Shelter Committee, Board of Veterinary
Medicine
—Karen Herman, Ph.D., Director, Sky Mountain Wild Horse Sanctuary
—Belinda Garland, Executive Director, New Mexico Livestock Board
- 2:45 p.m. (13) **Terrero Mine Proposal and Protecting the Upper Pecos Watershed**
—Ralph Vigil, Northern New Mexico Organizer, New Mexico Wild
—Dan Roper, New Mexico Program Lead, Trout Unlimited
- 3:15 p.m. **Public Comment***
- 3:30 p.m. **Adjourn**

*Members of the public may make virtual public comments during the public comment period of the meeting by following the instructions under the "Virtual Public Comment" section of the WNRC [web page](#).

**MINUTES
of the
FOURTH MEETING
of the
WATER AND NATURAL RESOURCES COMMITTEE**

**September 26-27, 2024
Alta Vista Elementary School
HWY 522, #4 Wildcat Road
Questa**

The fourth meeting of the Water and Natural Resources Committee was called to order by Representative Matthew McQueen, chair, on September 26, 2024 at 9:18 a.m. at the Alta Vista Elementary School gymnasium in Questa.

Present

Rep. Matthew McQueen, Chair
Sen. Elizabeth "Liz" Stefanics, Vice Chair
Rep. Gail Armstrong
Rep. Joanne J. Ferrary
Rep. Tara L. Lujan (9/26)
Rep. Kristina Ortez (9/26)
Rep. Debra M. Sariñana
Sen. Pat Woods
Rep. Martin R. Zamora

Advisory Members

Sen. Cliff R. Pirtle (9/26)
Rep. William "Bill" R. Rehm
Sen. Peter Wirth

Absent

Sen. Pete Campos
Rep. Kathleen Cates
Sen. Joseph Cervantes
Rep. Miguel P. García
Rep. Susan K. Herrera
Rep. Marian Matthews
Sen. Steven McCutcheon II
Rep. Andrea Romero
Rep. Larry R. Scott

Rep. Christine Chandler
Rep. Jack Chatfield
Sen. Crystal Brantley
Rep. Candy Spence Ezzell
Rep. Jenifer Jones
Sen. Linda M. López
Rep. Rod Montoya
Sen. Gerald Ortiz y Pino
Rep. Cristina Parajón
Sen. Shannon D. Pinto
Rep. G. Andrés Romero
Rep. Patricia Roybal Caballero
Sen. Antoinette Sedillo Lopez
Sen. Benny Shendo, Jr.
Rep. Nathan P. Small
Sen. Jeff Steinborn
Sen. Mimi Stewart

Guest Legislator

Sen. Roberto "Bobby" J. Gonzales (9/27)

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

Staff

Sara Wiedmaier, Researcher, Legislative Council Service (LCS)

Tom Kricka, 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.

Thursday, September 26

Welcome and Introductions (9:18 a.m.)

Representative McQueen welcomed everyone to the meeting, and the committee members and staff introduced themselves.

Welcome (9:23 a.m.)

John Ortega, mayor, Village of Questa, discussed economic development goals, including supporting locally owned businesses, promoting the village as a fishing destination and inviting clean energy industries. John Maldonado, superintendent, Questa Independent School District, discussed enrollment and the challenge of providing affordable housing for teachers.

Species of Greatest Conservation Need (SGCN): Funding and Uses (9:46 a.m.)

Jon Hayes, vice president and executive director, Audubon Southwest, and Kevin Bixby, founder and senior advisor, Wildlife for All, talked about balancing the state's growing outdoor economy with the protection of native and migrating species. Mr. Hayes recommended revising the State Wildlife Action Plan (SWAP), dedicated support for SGCN and non-game species and more biologist positions at the Department of Game and Fish (DGF). Mr. Bixby presented recommendations for preventing extinctions, including dedicated funding, removing restrictions on federal Pittman-Robertson Wildlife Restoration Act funding and updating the SWAP.

Michael Sloane, director, DGF, stated that the DGF is directed under the Wildlife Conservation Act to study and develop programs for the management of endangered species and that adequate, consistent funding is needed for long-term programs and additional employees. He listed projects the department has undertaken related to SGCN in the past year, including a statewide system to monitor songbird and migratory bird movement. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=9/26/2024&ItemNumber=2>.

DGF and State Game Commission Reform (10:57 a.m.)

Jessica Johnson Shelton, senior program and policy strategist, Animal Protection New Mexico (APNM), advocated for providing the DGF with the authority and funding it needs to accomplish its mission and to assist in the APNM's goal of building a wildlife management system that will benefit all animals, not just game and fish.

Director Sloane said that he finds it difficult to speculate on proposed legislation and the Wildlife Conservation Act gives the DGF authority to work on a breadth of species. He stated that the department's priority is to establish dedicated and sustained funding so that it can develop programs, hire and dedicate biologists to long-term projects and have the resources to ensure biodiversity into the future.

Jesse Deubel, executive director, New Mexico Wildlife Federation, discussed ways in which the State Game Commission could be reformed and highlighted issues within the commission. He said that broader funding is needed but that the DGF could also increase state licensing fees to leverage federal match dollars, an option that he said would be supported by most hunters of the public trust wildlife. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=9/26/2024&ItemNumber=3>.

State Parks: Broad Canyon Report and Proposed Fee Increases (11:53 a.m.)

Toby Velasquez, director, State Parks Division (SPD), Energy, Minerals and Natural Resources Department (EMNRD), introduced the team of SPD presenters, and he spoke about the importance of engaging the public, increasing state park fees and working with the University of New Mexico on an economic impact study of the state's 35 state parks.

Jared Langenegger, chief, Field Operations Bureau, SPD, EMNRD, discussed proposed fee increases to supplement the SPD's budget, which has not been increased since 2010. He presented the division's proposed initial fee increases, projected to supplement the division's budget by \$4.8 million, and stated that the public has responded mostly in favor of the proposals.

Colleen Baker, deputy director, SPD, EMNRD, presented on the feasibility study of establishing Broad Canyon Ranch as a state park, as required by Senate Memorial 38 (2023). She discussed the area's history and the division's preferred approach of limited development as a day-use state park, estimated to cost up to \$6 million.

Selena Connealy, chair, State Parks Advisory Board, said that the advisory board stands in support of the fee and rule changes proposed by the SPD and commended the division for good governance and including public voices in the rulemaking process. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=9/26/2024&ItemNumber=4>.

Beaver Management and Restoration (1:32 p.m.)

Karen Menetrey, director, Ecological Opportunities, Rio Grande Return; Emily Fairfax, Ph.D., ecohydrologist and assistant professor, Department of Geography, Environment and Society, University of Minnesota; Director Sloane; and Chris Smith, wildlife program director, WildEarth Guardians, presented on the many benefits that beavers provide in the management and restoration of waterways and ecosystems.

Ms. Menetrey spoke about efforts to mimic beaver activities using minimally invasive restoration techniques. Ms. Fairfax said that due to their ability to buffer hazards, beavers should be carefully managed as a natural resource. Director Sloane noted that the DGF added beavers to the list of SGCN and that significant work and resources are needed to improve the status of the species. Mr. Smith discussed the importance of a fully developed statewide beaver management plan, as requested by Senate Memorial 4 (2014). The panel emphasized that beaver population restoration and utilizing beaver system engineering could improve the state's water supply and quality, perennial streams, wetlands and watersheds, aquifer recharge, carbon storage and wildfire mitigation. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=9/26/2024&ItemNumber=5>.

Land of Enchantment (LOE) Legacy Fund: Progress and Challenges (2:21 p.m.)

Jacob Pederson, chief, Resource Management Bureau, Forestry Division, EMNRD; Sam Ferguson, river stewardship program coordinator, Department of Environment; Katie Goetz, co-lead, Healthy Soil Program, New Mexico Department of Agriculture (NMDA); AJ Jones, deputy director, New Mexico Outdoor Recreation Division, Economic Development Department; and Director Sloane discussed the programs funded by the LOE Legacy Fund at their respective agencies, including Natural Heritage Conservation Act projects, the River Stewardship Program, the Healthy Soil Program, the Noxious Weeds Program, the Outdoor Recreation Trails+ Grant program and the SGCN designation initiative.

Jonathan Hayden, executive director, New Mexico Land Conservancy, presented on the fund's investment strategies, the agencies that are eligible for funding and a map of project locations around the state. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=9/26/2024&ItemNumber=6>.

Wildlife: Corridors and Crossings; Impacts from Solar Development (3:52 p.m.)

Michael J. Dax, western program director, Wildlands Network, discussed implementation of the Wildlife Corridors Action Plan and the effectiveness of wildlife crossings in reducing vehicle collisions and wildlife fatalities. He also talked about interactions between wildlife and solar energy developments, wildlife-friendly fencing and balancing habitat impacts with the transition to renewable energy. He noted that more data is needed on land use of wildlife near developments.

James Hirsch, wildlife coordinator, Department of Transportation (DOT), and Trent Botkin, manager, Natural Resources Section, DOT, discussed plans for overpasses and underpasses along important wildlife corridors on United States Route 550 and the funding needed to begin construction in 2026. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=9/26/2024&ItemNumber=7>.

Recess

The meeting recessed at 4:44 p.m.

Friday, September 27

Reconvene

The meeting reconvened at 9:04 a.m.

Stream Access Enforcement (9:07 a.m.)

James Grayson, chief deputy attorney general, State Department of Justice, discussed the *Adobe Whitewater Club v. State Game Comm'n* case, in which the New Mexico Supreme Court held that barriers on public waters are unconstitutional because waters of the state belong to the public. He explained that the department is working with property owners and law enforcement to prevent conflict and trespassing and address noncompliance.

Mr. Deubel noted the importance of the ruling to uphold the public right of access to waters, which he said had been denied for decades. He discussed the New Mexico Wildlife Federation's education campaigns to foster cooperation, avoid conflict and promote stewardship of public waters and easements.

Sherry Barrett, chair, New Mexico Paddlers Coalition, described the impenetrable and hazardous barriers that are still in place on rivers, such as the Pecos River, that prevent safe public access. She gave examples of paddler-friendly fencing that can be separated to remove the danger of entrapment and drowning. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=9/26/2024&ItemNumber=8>.

Preserving Dark Skies in New Mexico (10:15 a.m.)

Peter Lipscomb, vice chair, New Mexico Chapter, DarkSky International, and Galen Gisler, council member, New Mexico Chapter, DarkSky International, discussed issues related to light pollution and proposed changes to the Night Sky Protection Act, including expanding the purpose, removing exemptions and recognizing the principles of responsible lighting. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=9/26/2024&ItemNumber=9>.

Pesticides: Aerial Spraying and Neonics (11:08 a.m.)

Steve Baca, assistant director, Division of Agricultural and Environmental Services, NMDA, discussed NMDA authority and responsibility under the Pesticide Control Act, which includes overseeing aerial application of pesticides and neonicotinoid insecticides, conducting impact surveys and pollinator-related support work.

Sharon Selvaggio, specialist, Pesticide Program, The Xerces Society for Invertebrate Conservation, discussed the diversity of insects in the Southwest and the economic value of sustaining their populations. She recommended upholding right-to-know principles, better public land management and protecting biodiversity and watersheds from harmful pesticides.

Charles Hibner, owner and range manager, Hibner Ranch, talked about managing land for cattle and having to spray pesticide in order to protect his forage and meadows from grasshopper damage. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=9/26/2024&ItemNumber=10>.

Impacts of Lead Bullets and Tackle (12:45 p.m.)

Mr. Deubel discussed the need for more public education about the dangers of lead bullets and for hunting and gun safety training courses to include lessons on these dangers. He also stated that the DGF should demonstrate the state's commitment to wildlife conservation by becoming an official member of the North American Non-Lead Partnership and that the sporting community should only use lead-free ammunition to prevent wildlife poisoning.

Dan Roper, New Mexico program lead, Trout Unlimited, said that the state should invest in data collection on the levels of lead in its water supply, consider funding wildlife rehabilitation centers to test for lead toxicity and launch targeted campaigns to encourage the use of non-lead tackle and ammunition alternatives. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=9/26/2024&ItemNumber=11>.

Equine and Animal Welfare Trust Fund (1:13 p.m.)

Jessica Johnson Shelton, senior program and policy strategist, APNM; Stacie Voss, director, Animal Welfare, Farmington Regional Animal Shelter, and chair, Animal Shelter Committee, Board of Veterinary Medicine; and Karen Herman, Ph.D., director, Sky Mountain Wild Horse Sanctuary, discussed the challenges for understaffed, underfunded and overpopulated animal shelters and horse sanctuaries across the state. They recommended creating an animal welfare trust fund to address critical animal welfare and population control issues, improve animal control services, save taxpayer dollars and protect public safety and health.

Belinda Garland, executive director, New Mexico Livestock Board, discussed potential Anti-Donation Clause and Inspection of Public Records Act issues with creating an animal welfare trust fund that provides public money to private entities. She clarified the board's functions of controlling movement of livestock, determining ownership and controlling disease but not range management or jurisdiction over free-roaming animals. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=9/26/2024&ItemNumber=12>.

Terrero Mine Proposal and Protecting the Upper Pecos Watershed (2:01 p.m.)

Ralph Vigil, northern New Mexico organizer, New Mexico Wild, gave a brief history of the area proposed for new mining and discussed how surrounding communities, trout populations and taxpayers were affected by past mining operations. He gave reasons for protecting the area and updating the New Mexico Mining Act.

Mr. Roper discussed the implications of mineral extraction for the development of clean energy sources. He explained that the Pecos River is not an appropriate place for a new mine, as there is strong community opposition to a new mine, the area has only recently recovered from past mining operations and its near designation as a superfund site, the area is popular among anglers and it provides critical habitat for the Rio Grande cutthroat trout. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=9/26/2024&ItemNumber=13>.

Public Comment

There was no public comment.

Adjournment

There being no further business before the committee, the meeting adjourned at 2:33 p.m.

Revised: October 25, 2024

**TENTATIVE AGENDA
for the
FIFTH MEETING
of the
WATER AND NATURAL RESOURCES COMMITTEE**

**October 28-29, 2024
Inn of the Mountain Gods
287 Carrizo Canyon Road
Mescalero**

Monday, October 28

- 9:00 a.m. **Call to Order and Introductions**
—Representative Matthew McQueen, Chair, Water and Natural Resources
Committee (WNRC)
- 9:15 a.m. (1) **Welcome and Mescalero Carbon-Free Energy Development Goals**
—Thora Walsh Padilla, President, Mescalero Apache Tribe
- 10:00 a.m. (2) **Wildfire Impacts, Mitigation and Recovery Efforts**
—Thora Walsh Padilla, President, Mescalero Apache Tribe
—Lynn Crawford, Mayor, Village of Ruidoso
—Mark Fischer, Commissioner, District 5, Lincoln County Board of
County Commissioners
—Rick Baugh, General Manager, Ruidoso Downs Race Track and Casino
—Charise Swanson, Chief Executive Officer (CEO), New Mexico Rural
Electric Cooperatives
- 11:15 a.m. (3) **Oil and Gas Royalty Rates on State Trust Land**
—Greg Bloom, Assistant Commissioner, Mineral Resources, State Land
Office (SLO)
- 12:00 noon **Lunch**
- 12:45 p.m. (4) **Oil and Gas Act Reforms: Surface Setbacks for Oil and Gas Wells**
—Michael Lumpkin, Ph.D., D.A.B.T., Senior Toxicologist, CTEH, LLC
—Greg Bloom, Assistant Commissioner, Mineral Resources, SLO
—Detlev Helmig, Ph.D., Lead Scientist, Boulder Atmosphere Innovation
Research LLC
—Jozee Zuniga, Community Organizer, Youth United for Climate Crisis
Action
—Colin Cox, Staff Attorney, Center for Biological Diversity

- 1:45 p.m. (5) [**Oil and Gas Act Reforms: Limiting Well Transfers**](#)
—Greg Bloom, Assistant Commissioner, Mineral Resources, SLO
—Ben Shelton, Acting Deputy Secretary and General Counsel, Energy, Minerals and Natural Resources Department (EMNRD)
- 2:30 p.m. (6) [**Oil and Gas Act Reforms: Bonding and Reclamation Fund Changes**](#)
—Ben Shelton, Acting Deputy Secretary and General Counsel, EMNRD
—Senator Greg Nibert
- 3:15 p.m. (7) [**Methane Rules: Implementation, Effectiveness and Permanency**](#)
—Ben Shelton, Acting Deputy Secretary and General Counsel, EMNRD
—Michelle Miano, Director, Environmental Protection Division, Department of Environment (NMED)
—Erik Schlenker-Goodrich, Executive Director, Western Environmental Law Center
- 4:15 p.m. (8) [**Carbon Capture and Sequestration, Direct Air Capture and Pore Space**](#)
—Mark Pedrotty, President and CEO, CO2Rescue LLC
—Robert Balch, Director, Petroleum Recovery Research Center, New Mexico Institute of Mining and Technology
—David Schlissel, Director, Resource Planning Analysis, Institute for Energy Economics and Financial Analysis
—Morgan O'Grady, Staff Attorney, Western Environmental Law Center
- 5:15 p.m. **Recess**

Tuesday, October 29

- 9:00 a.m. (9) [**Solar Development: Interconnection Issues, Community Solar and the Proposed Local Solar Access Fund**](#)
—Cholla Khoury, Chief of Staff, Public Regulation Commission (PRC)
—Kevin Cray, Senior Director, Mountain West, Coalition for Community Solar Access
—Alysha Shaw, Campaign Director, Public Power New Mexico
—Randy Sadewic, President and Chief Financial Officer, Positive Energy Solar
—Eric Segovia, General Manager and Executive Vice President, Roosevelt County Electric Cooperative
- 10:15 a.m. (10) [**Electric Transmission: Development, Upgrades and Issues**](#)
—Lynn Mostoller, Executive Director, New Mexico Renewable Energy Transmission Authority
—Varner Seaman, Senior Director, Legislative and Regulatory Affairs, Pattern Energy
—Zoë Lees, Regional Vice President, Regulatory Policy, Xcel Energy
—Verna Mandez, Director, Transmission Possible Campaign, Advanced Energy United

- 11:15 a.m. (11) **Energy Transition Act: Progress, Challenges and Enforcement**
—Michelle Miano, Director, Environmental Protection Division, NMED
—Camilla Feibelman, Director, Rio Grande Chapter, Sierra Club
—Zoë Lees, Regional Vice President, Regulatory Policy, Xcel Energy
—Duane Highley, CEO, Tri-State Generation and Transmission Association, Inc.
—Cholla Khoury, Chief of Staff, PRC
- 12:30 p.m. **Lunch**
- 1:00 p.m. (12) **Electric Grid Capacity and "Powering Up New Mexico"**
—Max Baumhefner, Director, EV Infrastructure, Climate and Energy, Natural Resources Defense Council
—Jim DesJardins, Executive Director, Renewable Energy Industries Association of New Mexico
—Cholla Khoury, Chief of Staff, PRC
- 2:00 p.m. (13) **Green Hydrogen: Opportunities and Challenges**
—Luis A. Reyes Jr., CEO, Kit Carson Electric Cooperative
—Michelle Miano, Director, Environmental Protection Division, NMED
—Jeremy Sment, Principal Engineer and Acting Manager, Concentrating Solar Technologies Department, Sandia National Laboratories
—Morgan Rote, Senior Director, Energy Transition, Environmental Defense Fund
- 3:00 p.m. **Public Comment***
- 3:15 p.m. **Adjourn**

*Members of the public may make virtual public comments during the public comment period of the meeting by following the instructions under the "Virtual Public Comment" section of the WNRC [web page](#).

**MINUTES
of the
FIFTH MEETING
of the
WATER AND NATURAL RESOURCES COMMITTEE**

**October 28-29, 2024
Inn of the Mountain Gods
287 Carrizo Canyon Road
Mescalero**

The fifth meeting of the Water and Natural Resources Committee was called to order by Representative Matthew McQueen, chair, on October 28, 2024 at 10:17 a.m. at the Inn of the Mountain Gods in Mescalero.

Present

Rep. Matthew McQueen, Chair
Sen. Pete Campos
Rep. Kathleen Cates (10/28)
Sen. Joseph Cervantes
Rep. Joanne J. Ferrary
Rep. Susan K. Herrera
Rep. Tara L. Lujan
Sen. Steven McCutcheon II (10/28)
Rep. Debra M. Sariñana
Rep. Larry R. Scott (10/28)
Sen. Pat Woods (10/28)
Rep. Martin R. Zamora

Advisory Members

Rep. Candy Spence Ezzell (10/28)
Sen. Cliff R. Pirtle (10/28)

Absent

Sen. Elizabeth "Liz" Stefanics, Vice Chair
Rep. Gail Armstrong
Rep. Miguel P. García
Rep. Marian Matthews
Rep. Kristina Ortez
Rep. Andrea Romero

Sen. Crystal Brantley
Rep. Christine Chandler
Rep. Jack Chatfield
Rep. Jenifer Jones
Sen. Linda M. López
Rep. Rod Montoya
Sen. Gerald Ortiz y Pino
Rep. Cristina Parajón
Sen. Shannon D. Pinto
Rep. William "Bill" R. Rehm
Rep. G. Andrés Romero
Rep. Patricia Roybal Caballero
Sen. Antoinette Sedillo Lopez
Sen. Benny Shendo, Jr.
Rep. Nathan P. Small
Sen. Jeff Steinborn

Sen. Mimi Stewart
Sen. Peter Wirth

Guest Legislators

Rep. Micaela Lara Cadena (10/29)
Rep. Jared A. Hembree (10/28)
Sen. Greg Nibert (10/28)
Rep. James G. Townsend
Rep. Harlan Vincent

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

Staff

Sara Wiedmaier, Researcher, Legislative Council Service (LCS)
Tom Kricka, 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. **Due to technical problems, the start times noted for each panel reflect the time on the recorded video of the meeting, not the actual time, and are indicated by an asterisk. The call to order, recess, reconvene and adjourn times reflect the actual time.*

Monday, October 28

Welcome and Introductions (10:17 a.m.)

Representative McQueen welcomed everyone to the meeting and addressed technical issues that led to the meeting's late start. Committee members and staff introduced themselves.

Welcome and Mescalero Carbon-Free Energy Development Goals (9:13 a.m.*)

Thora Walsh Padilla, president, Mescalero Apache Tribe, briefly discussed the Mescalero Apache Tribe's carbon-free energy development goals, which include using waste materials from the tribe's timber operations to create biomass energy and a carbon credit project to help sustain forestry operations into the future.

Wildfire Impacts, Mitigation and Recovery Efforts (9:18 a.m.*)

President Padilla spoke about the need for the tribe to diversify revenue streams, that its forest management practices help protect from wildfire and how the Mexican spotted owl impacted logging operations. Lynn Crawford, mayor, Village of Ruidoso, talked about collaborating with surrounding communities for strength and thanked the state for helping fund wildfire recovery efforts. Mark Fischer, commissioner, District 5, Lincoln County Board of County Commissioners, presented on the needs for affordable housing, business recovery funds and a regional first-responder training center. Rick Baugh, general manager, Ruidoso Downs Race Track and Casino, recommended more state support for business and workforce recovery. Charise Swanson, chief executive officer (CEO), New Mexico Rural Electric Cooperatives, discussed how cooperatives manage wildfire mitigation and the need for a cap on wildfire liability insurance costs.

Oil and Gas Royalty Rates on State Trust Land (10:47 a.m.*)

Greg Bloom, assistant commissioner, Mineral Resources, State Land Office (SLO), discussed how increasing maximum royalty rates, mostly paid by large out-of-state companies, on new oil and gas leases for prime acreage would make the state competitive with Texas and add \$1 billion in revenue for state land trust beneficiaries, which include schools, hospitals and water resources. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/28/2024&ItemNumber=3>.

Oil and Gas Act Reforms: Surface Setbacks for Oil and Gas Wells (12:32 p.m.*)

Michael H. Lumpkin, Ph.D., D.A.B.T., senior toxicologist, CTEH, LLC, talked about health-risk assessment methods for exposure to oil and gas emissions and said that distance from well pads is not a reliable measure of harm and there is a low risk of harm from acute exposures to oil and gas emissions at distances of 500 feet or greater.

Detlev Helmig, Ph.D., lead scientist, Boulder Atmosphere Innovation Research LLC, discussed his research on the poor air quality in southeast New Mexico, particularly the elevated levels of ozone and other compounds in the Village of Loving, concluding that the regional ozone problem in the village is largely due to emissions from nearby oil and gas operations.

Jozee Zuniga, community organizer, Youth United for Climate Crisis Action, and Colin Cox, staff attorney, Center for Biological Diversity, discussed the particular vulnerability of children to the harms of oil and gas pollution, including respiratory disease, neurodevelopmental disorders and pediatric cancers. They recommended more enforcement of existing air pollution laws and requirements for new oil and gas wells to have a one-mile setback from public schools.

Mr. Bloom discussed the SLO's legal framework and lack of authority to issue fines or dictate well locations, and he presented on costs and public health effects found in the *Fiscal Impacts of Oil and Gas Setbacks* study that was presented at the Legislative Finance Committee's October 22, 2024 meeting. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/28/2024&ItemNumber=4>.

Oil and Gas Act Reforms: Limiting Well Transfers (2:12 p.m.*)

Mr. Bloom discussed legacy waste cleanup and required documentation for lease-assignment and unit-operator transfers. Ben Shelton, acting deputy secretary and general counsel, Energy, Minerals and Natural Resources Department (EMNRD), explained the well-transfer process that typically leaves the least-capitalized operators responsible for managing liabilities at the end of a well's life cycle. He said that statutes and rules could be updated to give the Oil Conservation Division (OCD) of the EMNRD authority to better regulate and limit the transfer of oil and gas wells. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/28/2024&ItemNumber=5>.

Oil and Gas Act Reforms: Bonding and Reclamation Fund Changes (2:26 p.m.*)

Mr. Shelton and Senator Nibert discussed updating the Oil and Gas Reclamation Fund to ensure a sustainable balance for operations and reclamation. Mr. Shelton discussed funding for the OCD, bonding shortfalls and the costs of environmental remediation. Senator Nibert discussed raising the conservation tax rate and encouraged the OCD to contract to expand plugging efforts. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/28/2024&ItemNumber=6>.

Approval of Minutes (3:23 p.m.*)

On a motion made and seconded, and without opposition, the minutes of the August 26-27, 2024 and September 26-27, 2024 meetings were approved.

Methane Rules: Implementation, Effectiveness and Permanency (3:24 p.m.*)

Mr. Shelton discussed the OCD's waste rule, which sets enforceable targets for operators to reduce waste, and noted that many operators have reached the 98% gas capture rate ahead of the rule's requirement. Michelle Miano, director, Environmental Protection Division, Department of Environment (NMED), discussed the division's use of aerial technologies for targeted data, civil penalty policy updates and the enforcement actions website. Erik Schlenker-Goodrich, executive director, Western Environmental Law Center, said that 53% of state carbon emissions come from the oil and gas sector and enforcement of methane waste and ozone precursor pollutants rules should be prioritized. He also encouraged accessibility and transparency of state emissions data. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/28/2024&ItemNumber=7>.

Carbon Capture and Sequestration (CCS), Direct Air Capture (DAC) and Pore Space (4:01 p.m.*)

Robert Balch, director, Petroleum Recovery Research Center, New Mexico Institute of Mining and Technology, and Mark Pedrotty, president and CEO, CO2Rescue LLC, explained CCS and DAC and presented regulatory considerations. They said that carbon dioxide (CO2) can be stored underground in the San Juan and Permian basins and that CCS technologies create jobs, address legacy emissions and are essential to reaching state and global climate goals.

David Schlissel, director, Resource Planning Analysis, Institute for Energy Economics and Financial Analysis, said that there is no evidence that existing and proposed CCS and DAC technologies are effective decarbonization tools. He said that the actual cost of capturing CO2 will be far higher and the demand for water more substantial than advocates admit.

Morgan O'Grady, staff attorney, Western Environmental Law Center, said that CCS presents financial, environmental and health risks to New Mexicans. She said that the state should reject CCS as a climate action, prohibit severability of surface estate and pore space, establish a high threshold for compulsory unitization, reject transfer of liability to the state and create a trust fund for monitoring and compensation. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/28/2024&ItemNumber=8>.

Recess

The meeting recessed at 6:19 p.m.

Tuesday, October 29

Reconvene

The meeting reconvened at 9:06 a.m.

Solar Development: Interconnection Issues, Community Solar and the Proposed Local Solar Access Fund (8:36 a.m.*)

Kevin Cray, senior director, Mountain West, Coalition for Community Solar Access, explained how community solar works, anticipated actions by the Public Regulation Commission (PRC) and next steps for the Community Solar Program. Alysha Shaw, campaign director, Public Power New Mexico, discussed interconnection challenges for community solar projects, public outreach campaigns and the proposed Local Solar Access Fund, which would issue grants for solar and storage projects to power public infrastructure. Randy Sadewic, president and chief financial officer, Positive Energy Solar, discussed challenges and best practices for grid modernization, including interconnection and utility structure.

Eric Segovia, general manager and executive vice president, Roosevelt County Electric Cooperative, discussed the need for facility upgrades, a new substation and reducing development costs to support the expansion of solar projects in Roosevelt County. Cholla

Khoury, chief of staff, PRC, briefly addressed concerns regarding the ability to launch projects and how development costs could be more equitably distributed among utilities and stakeholders. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/28/2024&ItemNumber=9>.

Electric Transmission: Development, Upgrades and Issues (9:57 a.m.*)

Lynn Mostoller, executive director, New Mexico Renewable Energy Transmission Authority (RETA), discussed the RETA's authority to plan, finance and develop high voltage transmission lines and storage projects in New Mexico, noting that the benefits from transmission development have exceeded the RETA's projections. Varner Seaman, senior director, Legislative and Regulatory Affairs, Pattern Energy, discussed development of wind-power transmission projects in New Mexico, including SunZia Wind and Transmission, estimated to be the largest renewable energy infrastructure project in the country. Zoë Lees, regional vice president, Regulatory Policy, Xcel Energy, discussed Xcel Energy's service territory in New Mexico, integrated resource plan, load growth and transmission constraints. Verna Mandez, director, Transmission Possible Campaign, Advanced Energy United, discussed the benefits of using advanced transmission technologies to quickly respond to rising grid pressures and double the capacity of an existing transmission line at one-half the cost of a new line. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/28/2024&ItemNumber=10>.

Energy Transition Act (ETA): Progress, Challenges and Enforcement (11:16 a.m.*)

Ms. Miano presented on the state climate action plan, greenhouse gas emissions reports and how grant recipients are designing diverse climate action plans across the state. Camilla Feibelman, director, Rio Grande Chapter, Sierra Club, discussed how the ETA is helping the state shift to a clean energy economy through apprenticeship and displaced-worker training programs and funding for community transition, economic development and remediation projects. Ms. Lees discussed progress toward renewable portfolio standards and meeting current and anticipated load growth in southeast New Mexico. Duane Highley, CEO, Tri-State Generation and Transmission Association, Inc., presented the Tri-State cooperative's energy transition progress, forecasting 72% renewables in its energy mix by 2030. Ms. Khoury said that the PRC has made major progress toward ETA goals, with approved projects totaling more than two gigawatts of solar energy and more than one gigawatt of energy storage. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/28/2024&ItemNumber=11>.

Electric Grid Capacity and "Powering Up New Mexico" (12:33 p.m.*)

Max Baumhefner, director, EV Infrastructure, Climate and Energy, Natural Resources Defense Council, discussed distribution system challenges and the expected benefits from the

proposed Powering Up New Mexico Act, which would mandate utilities to make grid investments, align planning with decarbonization goals, enforce compliance and provide workforce development support. Jim DesJardins, executive director, Renewable Energy Industries Association of New Mexico, discussed challenges to electrifying the power grid and possible legislation to incentivize development of energy-storage systems. Ms. Khoury discussed the need among all sectors for distribution solutions and how the PRC's rulemaking and staff capacity would need to be expanded to achieve the initiatives proposed in the Powering Up New Mexico Act. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/28/2024&ItemNumber=12>.

Green Hydrogen: Opportunities and Challenges (1:09 p.m.*)

Luis A. Reyes, Jr., CEO, Kit Carson Electric Cooperative, discussed a green hydrogen development project that would repurpose a former mining site in Questa, use wastewater to generate clean energy and create jobs for displaced workers in the region. Ms. Miano discussed fostering a clean hydrogen economy, leveraging solar and wind resources for sustainable production and financial incentives for investment. Jeremy Sment, principal engineer and acting manager, Concentrating Solar Technologies Department, Sandia National Laboratories, discussed the production of green hydrogen using concentrated solar technology to create synthetic fuels that can be used with existing vehicles and infrastructure. Morgan Rote, senior director, Energy Transition, Environmental Defense Fund, discussed the climate impacts and efficiency of green hydrogen and the energy intensity and life cycle emissions of the production process. She advocated for regulations that address water availability, emissions and climate impact reporting. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/28/2024&ItemNumber=13>.

Public Comment

There was no public comment.

Adjournment

There being no further business before the committee, the meeting adjourned at 2:41 p.m.

- 2:45 p.m. (6) [NMED: Budget and Staffing Priorities](#)
—James C. Kenney, Secretary, NMED
- 3:45 p.m. (7) [Public Regulation Commission \(PRC\): Budget and Staffing Priorities](#)
—Cholla Khoury, Chief of Staff, PRC
- 4:45 p.m. **Public Comment***
- 5:00 p.m. **Recess**

Tuesday, November 26

- 9:00 a.m. (8) [Per- and Polyfluoroalkyl Substances Product Restrictions](#)
—Representative Joanne J. Ferrary
—Tom Kricka, Staff Attorney, LCS
- 9:45 a.m. (9) [Power Up New Mexico](#)
—Representative Dayan Hochman-Vigil
- 10:30 a.m. (10) [Low-Income Solar Net Metering Protections](#)
—Senator Elizabeth "Liz" Stefanics
—Christian Casillas, Executive Director, Coalition of Sustainable
Communities New Mexico
- 11:15 a.m. (11) [DGF and State Game Commission: Reform and Funding](#)
—Representative Matthew McQueen
- 12:00 noon **Lunch**
- 12:45 p.m. (12) [Oil and Gas Setbacks](#)
—Representative Debra M. Sariñana
—Colin Cox, Staff Attorney, Center for Biological Diversity
- 1:30 p.m. (13) [Energy Storage System Tax Credit](#)
—Representative Debra M. Sariñana
—Jim DesJardins, Executive Director, Renewable Energy Industries
Association of New Mexico
- 2:15 p.m. (14) [Strategic Water Supply](#)
—Elizabeth Anderson, State Engineer, OSE
—James C. Kenney, Secretary, NMED
—Ben Shelton, Acting Deputy Secretary and General Counsel, EMNRD

- 3:00 p.m. (15) **OSE Enforcement Changes**
—Elizabeth Anderson, State Engineer, OSE
—John T. Romero, P.E., Director, Water Rights Division, OSE
—Lara Katz, Deputy General Counsel, OSE
- 3:45 p.m. (16) **State Surface Water Permitting Program**
—Shelly Lemon, Chief, Surface Water Quality Bureau, Water Protection
Division, NMED
- 4:30 p.m. **Adjourn**

*Members of the public may make virtual public comments during the public comment period of the meeting by following the instructions under the "Virtual Public Comment" section of the WNRC [web page](#).

**MINUTES
of the
SIXTH MEETING
of the
WATER AND NATURAL RESOURCES COMMITTEE**

**November 25-26, 2024
State Capitol, Room 307
Santa Fe**

The sixth meeting of the Water and Natural Resources Committee was called to order by Representative Matthew McQueen, chair, at 9:07 a.m. on November 25, 2024 in Room 307 of the State Capitol in Santa Fe.

Present

Rep. Matthew McQueen, Chair
Sen. Elizabeth "Liz" Stefanics, Vice Chair
Rep. Gail Armstrong (10/25)
Sen. Pete Campos
Rep. Kathleen Cates
Rep. Joanne J. Ferrary
Rep. Miguel P. García (10/25)
Rep. Susan K. Herrera
Rep. Tara L. Lujan
Rep. Kristina Ortez (10/25)
Rep. Debra M. Sariñana (10/26)
Sen. Pat Woods
Rep. Martin R. Zamora

Advisory Members

Sen. Linda M. López
Rep. Rod Montoya
Sen. Antoinette Sedillo Lopez (10/25)
Sen. Jeff Steinborn (10/25)
Sen. Peter Wirth

Absent

Sen. Joseph Cervantes
Rep. Marian Matthews
Sen. Steven McCutcheon II
Rep. Andrea Romero
Rep. Larry R. Scott

Sen. Crystal Brantley
Rep. Christine Chandler
Rep. Jack Chatfield
Rep. Candy Spence Ezzell
Rep. Jenifer Jones
Sen. Gerald Ortiz y Pino
Rep. Cristina Parajón
Sen. Shannon D. Pinto
Rep. William "Bill" R. Rehm
Rep. G. Andrés Romero
Rep. Patricia Roybal Caballero
Sen. Benny Shendo, Jr.
Rep. Nathan P. Small
Sen. Mimi Stewart

Guest Legislators

Rep. Micaela Lara Cadena (10/26)

Sen. Harold Pope (10/26)

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

Staff

Sara Wiedmaier, Researcher, Legislative Council Service (LCS)

Tom Kricka, Staff Attorney, LCS

Angela Dakan, Staff, LCS

Andrea Martinez Cordero, Intern, LCS

Minutes Approval

Because the committee will not meet again this year, the minutes for this meeting have not been officially approved by the committee.

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, November 25

Welcome and Introductions (9:07 a.m.)

Representative McQueen welcomed everyone to the meeting and asked committee members and staff to introduce themselves.

Citizen Science Working Group (9:13 a.m.)

Kate Cardenas, community engagement coordinator, Department of Environment (NMED); Toby Velasquez, director, State Parks Division, Energy, Minerals and Natural Resources Department (EMNRD); and Michael Sloane, director, Department of Game and Fish (DGF), presented the citizen science working group's recommendations for expanding the involvement of the public in scientific research projects across certain state agencies and partnering organizations. They advocated for funding to establish a team of program coordinators. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=11/25/2024&ItemNumber=1>.

New Mexico Climate Investment Center (NMCIC) (10:09 a.m.)

Beth Beloff, founder and chief executive officer, NMCIC, and Christian Casillas, executive director, Coalition of Sustainable Communities New Mexico, discussed the NMCIC's mission to reduce energy burdens in low-income communities and to help provide for an equitable transition to a decarbonized state economy. They discussed projects, investment strategies and partnership models to provide low-interest loans and leases for clean energy services in underserved low- and moderate-income communities. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=11/25/2024&ItemNumber=2>.

DGF: Budget and Staffing Priorities (10:51 a.m.)

Mr. Sloane discussed the \$53.9 million budget request for the DGF. He said that the DGF's budget has been flat for the last six years and stated license fee increases are needed to avoid significant fiscal issues by 2029. He said that the department has a staff vacancy rate of 12% and without a budget increase, it will be difficult to meet salary demands for quality candidates without having to cut programs.

Office of the State Engineer (OSE) and Interstate Stream Commission (ISC): Budget and Staffing Priorities (12:47 p.m.)

Rebecca Roose, infrastructure advisor, Office of the Governor; Elizabeth Anderson, state engineer, OSE; and Hannah Riseley-White, director, ISC, discussed funding requests and budget objectives for the OSE and ISC, noting the critical nature of salary adjustments to retain and recruit qualified technical staff. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=11/25/2024&ItemNumber=4>.

EMNRD: Budget and Staffing Priorities (1:44 p.m.)

Melanie A. Kenderdine, secretary-designate, EMNRD; Ben Shelton, acting deputy secretary and general counsel, EMNRD; and Matthew Lovato, director, Administrative Services Division, EMNRD, discussed funding requests and budget objectives for the EMNRD. Ms. Kenderdine highlighted the significant vacancy rates and staffing needs of the EMNRD's various divisions, as well as department operations, balance reversions and special appropriation requests. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=11/25/2024&ItemNumber=5>.

Approval of Minutes (2:55 p.m.)

On a motion made and seconded, and with no opposition, the minutes of the October 28-29, 2024 meeting were approved.

NMED: Budget and Staffing Priorities (2:57 p.m.)

James C. Kenney, secretary, NMED, discussed funding requests and budget objectives for the NMED and highlighted how the department has reduced its vacancy rate to 5% due to staff compensation increases. The agency is seeking \$218 million to create a new compliance and enforcement division and for cleanup of contaminated sites across the state, among other initiatives. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=11/25/2024&ItemNumber=6>.

Public Regulation Commission (PRC): Budget and Staffing Priorities (3:41 p.m.)

Cholla Khoury, chief of staff, PRC, and Miranda Mascarenas, chief financial officer and director, Administrative Services Division, PRC, discussed the PRC's funding requests and budget objectives. The commission's main budget goals are to maintain low vacancy levels through adequate compensation, reforming processes and increasing capacity and to modernize the agency's information technologies. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=11/25/2024&ItemNumber=7>.

Public Comment (4:05 p.m.)

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

Recess

The meeting recessed at 4:21 p.m.

Tuesday, November 26**Reconvene**

The meeting reconvened at 9:07 a.m. Representative McQueen stated that the committee would not be endorsing any bills but that members could ask questions and give feedback on proposed legislation.

Per- and Polyfluoroalkyl Substances (PFAS) Product Restrictions (9:08 a.m.)

Representative Ferrary; Mr. Kricka; and Zachary Ogaz, general counsel, NMED, discussed a proposed bill to prohibit certain products and require disclosure of information and testing of products that contain intentionally added per- or poly-fluoroalkyl substances. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=11/25/2024&ItemNumber=8>.

Power Up New Mexico (9:43 a.m.)

Representative Dayan Hochman-Vigil discussed a proposed bill to establish electric grid planning requirements and authorize the PRC to adopt rules regarding tariffs and electrification targets and plans. The bill would allow electric public utilities to offer incentives to customers and recover costs for beneficial electrification programs. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=11/25/2024&ItemNumber=9>.

Low-Income Solar Net Metering Protections (10:32 a.m.)

Senator Stefanics and Christian Casillas, executive director, Coalition of Sustainable Communities New Mexico, discussed a proposed bill that would add a definition for "low-income customer" to the Public Utility Act and exempt low-income customers from rate riders for new interconnected customers. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=11/25/2024&ItemNumber=10>.

DGF and State Game Commission: Reform and Funding (10:59 a.m.)

Representative McQueen discussed a proposed bill to reform the state game commission appointment process, set term limits for commissioners and create a state wildlife commission nominating committee. The bill would also rename the DGF as the Department of Wildlife, expand the management of wildlife and provide for fee adjustments to support the department's budget. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=11/25/2024&ItemNumber=11>.

Oil and Gas Setbacks (12:48 p.m.)

Representative Sariñana and Colin Cox, staff attorney, Center for Biological Diversity, discussed a proposed bill to add a definition for "children's health protection zone" to the Oil and Gas Act and restrict oil and gas development in those zones. The bill would require oil and gas operators to create a protection zone map, implement a leak detection and response plan and conduct water quality testing and would provide penalties for operators that are in violation of the Air Quality Control Act. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=11/25/2024&ItemNumber=12>.

Energy Storage System Tax Credit (1:33 p.m.)

Representative Sariñana and Jim DesJardins, executive director, Renewable Energy Industries Association of New Mexico, discussed a proposed bill that would create income tax

credits to incentivize development of residential and nonresidential energy storage systems. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=11/25/2024&ItemNumber=13>.

Strategic Water Supply (2:08 p.m.)

Secretary Kenney, Ms. Anderson, Mr. Shelton and Ms. Roose discussed legislative priorities that include General Fund appropriation requests for water projects, aquifer mapping and research; establishing a fee on produced water generated in the state; and establishing a strategic water supply fund. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=11/25/2024&ItemNumber=14>.

OSE Enforcement Changes (3:14 p.m.)

Ms. Anderson; John T. Romero, P.E., director, Water Rights Division, OSE; and Lara Katz, deputy general counsel, OSE, discussed a proposed bill that would increase penalties for a violation of water law and provide for automatic annual increases in penalties to account for inflation. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=11/25/2024&ItemNumber=15>.

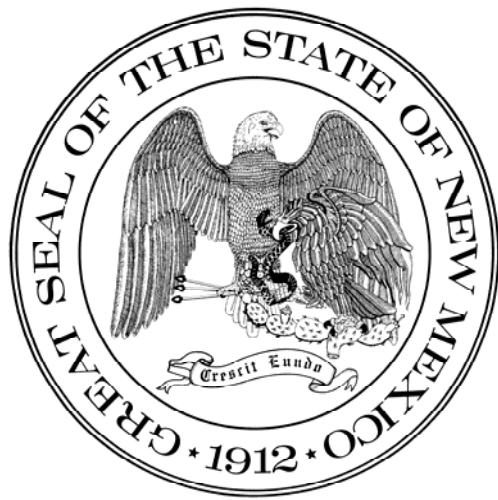
State Surface Water Permitting Program (3:39 p.m.)

Shelly Lemon, chief, Surface Water Quality Bureau, Water Protection Division, NMED, discussed the surface water discharge permitting program that is in development for the protection of state waters no longer covered by the federal Clean Water Act; a proposed Pollutant Discharge Elimination System Act; and proposed amendments to the Water Quality Act. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=11/25/2024&ItemNumber=16>.

Adjournment

There being no further business before the committee, the meeting adjourned at 4:15 p.m.



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