

MINUTES
of the
SIXTH MEETING
of the
ECONOMIC AND RURAL DEVELOPMENT COMMITTEE

November 6-7, 2017
State Capitol, Room 307
Santa Fe

The sixth meeting of the Economic and Rural Development Committee (ERDC) was called to order by Senator Benny Shendo, Jr., chair, on November 6, 2017 at 9:10 a.m. in Room 307 of the State Capitol.

Present

Sen. Benny Shendo, Jr., Chair (11/6)
Rep. Debbie A. Rodella, Vice Chair
Sen. Jacob R. Candelaria (11/6)
Rep. Rebecca Dow
Rep. Rick Little
Rep. Patricia A. Lundstrom
Sen. Richard C. Martinez (11/7)
Rep. Matthew McQueen
Sen. Michael Padilla (11/7)
Sen. John Pinto
Rep. Jane E. Powdrell-Culbert
Rep. Nathan P. Small (11/6)
Rep. Candie G. Sweetser (11/7)
Sen. Pat Woods

Advisory Members

Rep. Eliseo Lee Alcon (11/7)
Rep. Alonzo Baldonado (11/7)
Sen. Craig W. Brandt
Rep. Kelly K. Fajardo (11/7)
Rep. Joanne J. Ferrary
Rep. David M. Gallegos (11/6)
Rep. Bealquin Bill Gomez
Rep. Sarah Maestas Barnes (11/6)
Rep. Rod Montoya (11/7)
Sen. Mary Kay Papen
Rep. William "Bill" R. Rehm
Rep. Patricia Roybal Caballero (11/6)
Rep. Nick L. Salazar

Absent

Sen. Ron Griggs
Rep. Tim D. Lewis

Rep. Gail Armstrong
Sen. William F. Burt
Rep. George Dodge, Jr.
Rep. Yvette Herrell
Rep. D. Wonda Johnson
Sen. Carroll H. Leavell
Sen. Mark Moores
Rep. Angelica Rubio
Rep. Patricio Ruiloba
Sen. William E. Sharer
Rep. Monica Youngblood

Rep. James E. Smith
Sen. Elizabeth "Liz" Stefanics
Sen. Bill Tallman (11/7)
Rep. Linda M. Trujillo
Rep. Bob Wooley (11/7)

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

Staff

Shawna Casebier, Staff Attorney, Legislative Council Service (LCS)
Kathleen Dexter, Researcher, LCS
Rebecca Griego, Staff, 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.

Monday, November 6

Call to Order — Introductions

Senator Shendo called the meeting to order. Committee members introduced themselves.

Broadband Expansion in Rural New Mexico

Katherine Martinez, legislative affairs director, CenturyLink, reported on CenturyLink's efforts to expand high-speed internet to unserved and underserved areas of the state.

Funding for the expansion has come from the federal Connect America Fund (CAF), a program of the Universal Service Fund. With these funds, CenturyLink will invest more than \$10.9 million annually through 2020 to upgrade or establish broadband service to more than 25,000 homes and businesses. As of June 2017, CenturyLink had completed 40 percent of the connections slated for the project, installing service that meets a "10 down one up" standard — 10 megabits per second (Mbps) for downloads and one Mbps for uploads. One challenge in the expansion is rights of way; some areas have a patchwork of broadband access because rights of way have been difficult to secure.

Ms. Martinez spoke in support of enacting a gross receipts tax deduction for broadband equipment, citing North Dakota's 200 percent increase in investment by wireless companies

following enactment of a similar deduction. She noted the role that high-speed internet plays in fostering economic development and creating jobs, both of which are critical for rural areas of New Mexico.

Discussion and comments from Ms. Martinez and committee members included the following.

- The United States Census Bureau uses census blocks to determine if an area is "rural", "unserved" (downloads at one Mbps or less) or "underserved" (downloads at five Mbps); some underserved areas are not rural; the proposed bill for a broadband equipment tax deduction is based on speed, not on whether an area is rural; some property developments have been stalled due to lack of broadband service.
- CenturyLink is working with the federal government on cybersecurity issues; the New Mexico Institute of Mining and Technology and New Mexico National Guard are working on cybersecurity issues; the Department of Information Technology (DoIT) does not have a cybersecurity plan in place.
- Fiber-optic is the fastest transmission line and is not projected to become obsolete; the cost for installation is \$76,000 to \$125,000 per mile, including rights of way.
- Projects funded by the CAF must be built to Federal Communications Commission (FCC) standards in FCC-defined areas; if a service provider does not accept CAF funding, the service area is auctioned to other providers.

Small Cell Technology

Terri Nikole Baca, director of external affairs, AT&T; De O'Roark, general counsel, Verizon; Representative Smith; and Senator Candelaria gave a presentation on 5G, or small cell, technology and presented a bill to facilitate 5G deployment in the state.

In contrast to the current 4G telecommunications technology, which uses large antennas mounted on stand-alone towers for signal transmission, 5G networks use small antennas mounted on existing vertical structures such as street lights and utility poles. Ms. Baca noted that a 5G network installed in six municipalities — Albuquerque, Las Cruces, Santa Fe, Hobbs, Farmington and Rio Rancho — has the potential to create more than 8,500 jobs. Some of those jobs would be in construction as the network is installed, and some would be the result of expanded economic development enabled by increased network capacity.

Companies wishing to install 5G networks in the state face several barriers: denied access due to rules that do not address small cell technology; delays in permit application processing; and fees imposed by local governments. To facilitate the installation process, Representative Smith and Senator Candelaria presented a bill to enact the Wireless Consumer Advanced Infrastructure Investment Act. Among its provisions, the bill sets out time lines for permit processing by local governments and limits the rates and fees a local government may charge wireless providers for use of rights of way.

Speaking from the audience, Ed Mahr, lobbyist for T-Mobile New Mexico, spoke in support of the bill, and Damian Donckels, director of engineering, AT&T, noted that 5G has been installed in a "test environment" in Austin, Texas.

Discussion and comments from the presenters and committee members included the following.

- The bill's provisions usurp local government powers by capping fees and allowing taller structures than some ordinances currently allow; some local governments want to charge thousands of dollars for use of each street light or utility pole; the bill's deadline for permit processing does not allow time for the zoning process.
- Local governments would provide only placement, not power, for the antennas; maintenance for the equipment would be the provider's responsibility, and maintenance for the poles would be the local government's or utility's responsibility.
- The Public Regulation Commission (PRC) does not regulate the wireless industry.
- The bill is a working draft; the sponsors are not seeking committee endorsement; the bill is technology-neutral; and the bill would be effective statewide.
- Committee members discussed possible anti-donation issues and examples of government entities, such as public libraries, providing free internet access.

Jobs Council Initiatives and Recommendations

Several presenters reported on three issues identified in the past by the Jobs Council.

Employability Soft Skills Programs

Charles Lehman, director, Employment and Economic Information Center of New Mexico; Erin Hagenow, president, Junior Achievement of New Mexico (JANM); and Kay Provolt, state director, Jobs for America's Graduates-New Mexico (JAG), reported on programs to improve "soft skills" among those entering the state's workforce.

A 2014 survey of New Mexico employers cited a lack of soft skills, such as punctuality, problem-solving and work ethic, as a greater challenge to hiring entry-level workers than a lack of technical skills. In both the JANM and JAG programs, mentors work with high school students, primarily from economically disadvantaged and other at-risk backgrounds, to foster these skills and help the students succeed in jobs and entrepreneurial pursuits. JAG participants also receive high school elective credit for enrolling in the program. High schools in Albuquerque, Rio Rancho, Bernalillo, Mora and the Pueblo of Zuni currently participate in the JAG program; the communities of Española, Pojoaque, Santa Fe, Bernalillo, Rio Rancho, Albuquerque and Las Cruces are served by the JANM program.

DoIT Broadband for Business Study

Estevan J. Lujan, deputy secretary, DoIT, and Maria R. Sanchez, general counsel, DoIT, reported on a study conducted by the DoIT Office of Broadband and Geospatial Initiatives on business access to broadband service in the state.

The DoIT's BB4B, or Broadband for Businesses Initiative, mirrors similar DoIT broadband initiatives geared toward educational institutions, libraries, health facilities and communities in the state. The Office of Broadband and Geospatial Initiatives study shows that, for the most part, counties with low population densities have the highest percentage of businesses that are underserved by broadband networks; however, even Bernalillo County, which has the state's highest population density, houses more than 2,800 underserved businesses. According to the New Mexico Digital Inclusion Network, broadband's increased connection speed not only makes a business website feasible but can also lead to a marked increase in revenue and in the likelihood that the business will hire additional employees.

The presenters made several recommendations for facilitating broadband expansion in the state, ranging from budgetary support for their office to simplifying processes for accessing rights of way. They also emphasized the need to design and install broadband infrastructure early in the property development process. The estimated cost to expand broadband to most of the state's unserved or underserved businesses is \$42 million, which includes CAF funding.

SoloWorks Program

Mark Lautman, principal, Community Economics Laboratory, and Paul Hamrick, managing associate, Community Economics Laboratory, gave an update on the SoloWorks Program, which was created in the Economic Development Department (EDD) in 2016 and funded in 2017.

The SoloWorks Program aims to connect workers with opportunities for remote work with out-of-state employers; support solopreneurs whose goods and services are sold out of state; and develop soft skills in workers who have not been consistently employed. SoloWorks programs have been established in Grants and Las Vegas, with expansion under way or under consideration in Springer, Pine Hill, Raton, the Pueblo of Zuni, Tucumcari and Albuquerque. To date, New Mexico is the only state to financially support a program for solo workers.

Discussion and comments from the committee members and presenters from all three presentations included the following.

- The JANM and JAG programs are expanding into the southern part of the state; JAG has received money from AT&T for program expansion; JAG's main funding comes from The Perkins Fund, not from the Public Education Department (PED).
- Financial literacy is also a necessary skill for workers but is currently a high school elective credit, not a required credit.
- The SoloWorks Center in Grants is currently in the design phase; Ohio-based Digital Works connects the SoloWorks Program with companies, including Fortune 500 companies, looking for remote workers; the New Mexico Small Business Development Center is looking to expand its centers into rural areas.

- Some solo workers lose their social services benefits when they are hired for remote work but do not earn enough to cover necessary expenses, such as child care; continuing solo-worker benefits for the first six months of employment would help.

Taxation and Regulation of Recreational Cannabis

Emily Kaltenbach, senior director, National Criminal Justice Reform Strategy, and New Mexico state director, Drug Policy Alliance; and Jessica Gelay, policy manager, Drug Policy Alliance-New Mexico Office, gave a presentation on possible financial, health and public safety effects of the legalization of recreational cannabis.

Recreational cannabis is legal in eight states and the District of Columbia, though not yet in New Mexico. Colorado has collected \$500 million in taxes and fees on recreational cannabis since it was legalized in 2012, and the State of Washington collected more than \$250 million in 2016 alone. A study conducted by O'Donnell Economics & Strategy projects \$740 million in annual recreational cannabis sales by year five following legalization in New Mexico, with the potential for 18,000 jobs in both rural and urban areas of the state. Law enforcement and corrections resources currently expended to enforce criminal drug laws could be freed up for other public safety concerns. Data from Colorado show that traffic fatalities have not risen since recreational cannabis legalization, and the use patterns among youth have not significantly changed. A 2016 survey conducted by Research & Polling, Inc., shows that 69 percent of New Mexico residents support legalization if the revenue generated by recreational cannabis is directed to health care and drug and alcohol rehabilitation.

Discussion and comments from the presenters and committee members included the following.

- In Colorado, recreational cannabis legalization is a county-level local option.
- Cannabis purchases in the illegal market have dropped in Colorado since legalization; some people still grow cannabis illegally in their homes and in forests.
- Colorado's tax on recreational cannabis is 30 percent; the Drug Policy Alliance recommends a 15 percent state-level excise tax plus a five percent local tax.
- A *Denver Post* article stated that 60 percent of drivers cited for driving while intoxicated (DWI) had cannabis in their blood systems, and the state has seen an increase in fender-bender accidents; law enforcement officers need to assess whether cannabis has affected a person's driving or is just present in the bloodstream; Colorado and Washington are considering citing nanogram levels for DWI statutes.
- Studies have shown increases in truancy and emergency room (ER) visits for overdoses from cannabis edibles in Colorado since legalization; with legalization, some of the stigma of cannabis is gone and people are more willing to visit an ER if they have a problem.
- A request to add opioid use disorder to the list of qualifying conditions for the medical cannabis program was rejected by the secretary of health.

- Some of the recent enrollment increase in the medical cannabis program is due to an increase in the number of providers and increased education about the program; the projected enrollment increase for the coming year is 10,000.
- Federal drug revenue banking prohibitions cause security problems for cannabis producers and retailers.

State Apprenticeship Council (SAC)

Charles Humiston, chair, SAC; Greta Schouman, board member, SAC; John Gallegos, Rodgers Plumbing and Heating, Inc.; and Johnnie Sanchez, apprentice, Rodgers Plumbing and Heating, Inc., gave a presentation on Associated Builders and Contractors, Inc., New Mexico Chapter (ABC-NM) apprenticeship programs in the state.

There are 35 registered apprenticeship programs in the state. ABC-NM, which is accredited by the Higher Education Department (HED) as a post-secondary school, hosts programs that combine classroom and on-the-job training in four occupations: carpentry, electrical, plumbing and sheet metal. Community partners for the programs include Central New Mexico Community College (CNM), San Juan College, the New Mexico Manufacturing Extension Partnership, the Workforce Solutions Department (WSD), the State Approving Agency, the PED and New Mexico Job Corps. Companies that hire apprentices provide funding for the program through tuition, textbooks and instructor salaries. State funding is needed to augment business funding to increase and improve apprenticeship programs, as well as expand them into more industries, such as health care.

Mr. Gallegos, who graduated from an ABC-NM apprenticeship program, and Mr. Sanchez, who is currently an apprentice, spoke of the benefits each has garnered from his apprenticeship.

Discussion and comments from the presenters and committee members included the following.

- Of the 180 people who are currently registered in ABC-NM, only three are out of work; apprentices earn 90 percent of journeyman's wages by the end of the program and could earn as much as \$30.00 an hour if they work on scale; Doña Ana Community College used to be involved in the apprenticeship program but currently is not; most of the apprenticeship programs are in the Albuquerque area, though there are also programs in Los Alamos, Farmington, Carlsbad and Gallup.
- Vocational-technical high school programs would not boost enrollment in apprenticeship programs but would increase the number of qualified applicants.
- A list of all "apprenticeable trades" appears on the WSD website.
- State funding is needed to advertise apprenticeship programs; there will not be an "Apprenticeship Day at the Legislature" during the 2018 session because legislators do not have time to visit with the exhibitors.

PRC Regulation of Renewable Energies

Patrick H. Lyons, commissioner, PRC District 2, and Dhiraj Solomon, PRC, described the PRC's process for approving wind energy projects.

Under New Mexico's renewable portfolio standard, 20 percent of a public utility's sales must be derived from renewable sources by 2020; this standard had nearly been met by early 2016. Most of the renewable energy generated in New Mexico comes from "merchant plants" — privately owned facilities that sell their energy to public utilities. In the case of wind energy, facilities are mostly concentrated in the southeastern portion of the state. Commissioner Lyons outlined the approval process for wind energy generation facilities and their associated transmission lines, a process that requires public hearings, PRC decisions within six months and consideration of a project's possible impairment of "important environmental values". The PRC is also required by statute, in all of its decisions regarding public utilities, to balance public interests, consumer interests and investor interests in its oversight of public utilities.

Discussion and comments from the presenters and committee members included the following.

- Commissioner Lyons stated that close to 25 percent of the energy now generated in the state comes from renewable sources, with about three percent attributed to purchased renewable energy credits (RECs); Mr. Solomon noted that the percentage is difficult to calculate because most of the renewable energy produced in New Mexico is sold out of state; RECs must be sold within three years of generation; Farmers' Electric Cooperative, Inc., has sold RECs to Public Service Company of New Mexico.
- The PRC's approval phase of a wind energy project takes six months, but approval from other agencies, such as the Department of Environment, can take years, as can mining permits for copper to be used in renewable energy.
- A renewable energy generation plant that sells any of its power in the state must obtain a certificate of convenience and necessity.
- Hawaii is 100 percent renewable-dependent and stores solar-generated energy; natural gas can serve to bridge the daily gap in solar production; solar, wind and natural gas production are currently comparable in price.
- Stranded assets and local economies need to be considered when closing a coal-fired generation plant; some mines and plants have been shut down solely for regulatory compliance.

Burrell College of Osteopathic Medicine

Justin McHorse, chief of staff and assistant dean for multicultural inclusion, Burrell College of Osteopathic Medicine, spoke about the college's program at New Mexico State University's (NMSU's) Arrowhead Park.

The college is in its second year of operation and has 324 students enrolled. Sixteen percent of the college's first class — the class of 2020 — is from New Mexico. To increase participation from New Mexico students, NMSU and Burrell College have collaborated on a recruitment program in which high school seniors can apply for a pre-med baccalaureate program at the university, leading to enrollment in the Burrell College program.

Beginning next fall, the class of 2020 will go into clinical hospital clerkships and, two years later, into residencies. The college is working to develop clinical placements with health facilities throughout the state, including Indian Health Service (IHS) and tribal facilities. Mr. McHorse noted that there is a 65 percent chance that a doctor of osteopathic medicine ultimately will choose to practice within 150 miles of the doctor's residency assignment and there are similar odds that the doctor will choose to go into family practice — both good for New Mexico.

Discussion and comments from Mr. McHorse and committee members included the following.

- A few students in the first class dropped out after deciding medical school was not for them; three Native American students have enrolled so far; the college has established residency agreements with IHS facilities in Gallup and Albuquerque; the college will become eligible for federal student financial aid funding through Title IV in 2018.

Minutes

On a motion duly made, seconded and unanimously adopted, the minutes from the committee's meetings on August 31-September 1, 2017, September 14-15, 2017 and October 2-3, 2017 were approved.

The committee recessed at 4:45 p.m.

Tuesday, November 7

Reconvene

Representative Rodella reconvened the meeting at 9:15 a.m.

Escalante Generating Station

Jeff Kiely, executive director, Northwest New Mexico Council of Governments; Eileen Yarborough, executive director, Cibola Communities Economic Development Foundation; and Michael Sage, deputy director, Greater Gallup Economic Development Corporation, gave an update on a study requested by House Memorial (HM) 72 of the 2017 regular session. Pursuant to the memorial, the EDD, the WSD, the Energy, Minerals and Natural Resources Department (EMNRD) and energy-related associations and entities are studying the job-growth potential of the Escalante Generating Station in McKinley County and its role as an economic anchor for the region.

The generating station and its associated mines benefit two counties — McKinley and Cibola — with McKinley County receiving the property taxes from the station itself (\$1.4 million annually) and Cibola County receiving payroll and benefits from most of the station's employees (\$14.2 million). Local spending from mine operations exceeds \$95 million each year.

A technical working group formed in response to the memorial began meeting in April 2017 to analyze possible development of an economic activity cluster to support the Escalante Generating Station. Cibola and McKinley counties secured planning grants of \$50,000 each through the New Mexico Finance Authority, and a request for proposals for consultant services will be advertised during November. Next steps include a supply chain analysis, workforce skills assessment and site master plan development.

The presenters requested that the time line set out in HM 72 be extended to allow the group to present its final report in July 2018.

Discussion and comments from the presenters and committee members included the following.

- Because the Escalante Generating Station has pollution controls installed to meet recent environmental standards, it will continue to operate while older plants, such as the plant in San Juan, are shut down; limestone is used in the Escalante station's pollution controls.
- El Segundo Coal Mine has other clients in addition to the Escalante station; El Segundo employment has leveled off and is projected to remain steady for two to three years; the primary commitment for coal production in the Prewitt area is for electricity generation, not export; the coal from the mine is not top quality but is sufficient for the Escalante station and might be sufficient for other markets.
- An "economic base job" brings resources into a community and exports products; "Dodge City phenomenon" refers to a retail center that serves a broad rural region.
- Former San Juan Generating Station employees will be considered for employment at the Escalante station.
- The EDD, the WSD and the EMNRD have been actively involved in the strategic planning for the HM 72 study and report; the working group is considering multiple funding sources, including state and federal agencies, to pursue recommendations that will be included in the HM 72 report.
- A member spoke on the effect of significant job losses in the Four Corners region due to partial shutdown of the San Juan Generating Plant and on nuclear energy's dual reputation as both a clean energy source and a source of danger.

WSD Current and Proposed Programs

Celina Bussey, secretary, WSD, gave an overview and update on WSD programs and initiatives that support its goal of being a "business-driven" department and a gateway to employment.

The WSD's SUN PATH Consortium of state agencies, higher education institutions and employers secured a \$14 million federal grant through Santa Fe Community College to develop career pathways in allied health, health information technology (IT) and emergency medical services. To date, nearly 3,400 individuals have enrolled in SUN PATH programs and more than 2,100 have completed their studies, with more than 500 individuals subsequently employed and more than 1,200 receiving a wage increase after enrolling in the programs. Despite these successes, federal funding for SUN PATH will soon end.

The WSD received federal funding for its apprenticeship programs, which have expanded beyond traditional fields, such as construction and manufacturing, and into health specialties and IT. CNM created the state's first registered IT apprenticeship program and has placed some of its participants at the WSD.

Under the federal Workforce Innovation and Opportunity Act, states that receive federal funding for job training must develop a comprehensive state plan for collaboration among departments that receive the funding. In New Mexico, these agencies include the WSD; the PED, for its Vocational Rehabilitation Division (VRD); and the HED, for its Adult Basic Education Division. The Human Services Department also participates in the collaboration because of its programs under New Mexico Works, Temporary Assistance for Needy Families and the Supplemental Nutrition Assistance Program. As part of this collaboration and alignment, the WSD will request in the 2018 legislative session that the VRD be transferred to the WSD.

Discussion and comments from Secretary Bussey and committee members included the following.

- The VRD receives both state and federal funding, with matching requirements for the latter; funding goes to eligible participants through their local school districts; the WSD makes referrals to VRD programs; if the VRD is transferred to the WSD, its funding will transfer as well.
- Background check requirements are duplicated among several state agencies, which do not currently have the resources to share data.
- CNM is willing to share its apprenticeship program with other higher education institutions, which would need to enlist local employers to receive apprentices; state funding for apprenticeship programs comes through the Apprenticeship Assistance Act and through a tax on public works projects; apprenticeship programs pose a problem for the state's classified employee system, which cannot always meet the guarantee that an apprentice's wages will increase in steps; the WSD is studying the "cliff effect" to determine what wage an apprentice needs to be paid in order to afford the loss of social services benefits.
- Both the IT and health care fields include "stackable certifications" that can be earned through most higher education institutions in the state.
- The WSD has met with higher education institutions to align their adult basic education programs; in other states, these programs are administered by workforce

agencies rather than education departments; the WSD uses WorkKeys Skills Assessments for cognitive and aptitude assessments.

Rapid Workforce Development

Secretary Bussey was joined by Barbara Brazil, deputy secretary, EDD, and Barbara Damron, Ph.D., secretary, HED, to present an update on the program established in response to the Rapid Workforce Development Act enacted in 2016.

The act creates the Rapid Workforce Development Board, consisting of the secretaries of economic development, higher education and workforce solutions, to respond to employers' needs for educated and skilled workers. In addition, the legislature appropriated \$1.25 million to the EDD in the General Appropriation Act of 2016 for a rapid workforce development program. Under the program, the agencies identify employer and industry workforce needs and provide relevant workforce demographic, training and education information to employers. Higher education institutions that wish to receive rapid workforce development funding must demonstrate their ability to quickly deploy training programs to meet specific industry or employer needs and, if they receive funding, submit annual reports to the Rapid Workforce Development Board on program outcomes. Two institutions have received program funding to date: CNM, for its Spanish-language customer service center program; and Northern New Mexico College, for its certified nurse's aide program.

Discussion and comments from the presenters and committee members included the following.

- Indirect costs for the rapid workforce development programs average seven to nine percent; employers are not required to put money into the program, though the program application includes identification of in-kind matches.
- The workforce response to the recent closing of a contract prison in Torrance County was not part of the rapid workforce development program; the program responds to employer requests, not to employer layoffs or closures; the HED has a fund that can be used to educate and retrain displaced workers.
- There is currently no outreach or information campaign about the program.
- There is a shortage of nursing faculty in the state and nationwide.

Proposed Legislation for Committee Endorsement

Appropriation for New Mexico-Grown Fresh Fruits and Vegetables (.208868.1)

Pam Roy, executive director and co-founder, Farm to Table, and New Mexico Food and Agriculture Policy Council; Betsy Cull, assistant director for student nutrition, Santa Fe Public School District; Micah Roseberry, Farmhouse Cafe; Anthony Wagner, Wagner Farms; and Virginia Schroeder, New Mexico School Nutrition Association, spoke in support of a bill to appropriate \$1.44 million to the PED for fresh fruits and vegetables for school lunch programs and a full-time-equivalent position to administer the program. On questioning, the presenters

noted that the program received \$364,000 two years ago, did not receive funding last year and is hoping to receive a minimum of \$364,000 again this year. On a motion duly made, seconded and unanimously adopted, the committee endorsed the bill. Representatives Jimmie C. Hall and Brian Egolf will co-sponsor the bill.

Appropriation for Ground Water Resource Study (.208839.1)

Senator Woods presented a bill to appropriate \$350,000 to NMSU for a study of water resources in Colfax, Harding, Mora and Union counties, to be conducted by the university's Department of Animal and Range Sciences. On questioning, Senator Woods noted that overhead costs for the study would be lower through NMSU than through other agencies. On a motion duly made, seconded and unanimously adopted, the committee endorsed the bill.

Memorial for Frontier Community Challenges Study (.208958.2)

Carol Miller, honorary board member, and Susan Wilger, executive director, both of the National Center for Frontier Communities, spoke in support of a joint memorial requesting that the EDD convene a working group to identify the challenges faced by frontier communities in the state and legislative solutions to address frontier communities' needs. The presenters noted that nearly all New Mexico counties received a "frontier" designation in the 2010 census. On a motion duly made, seconded and unanimously adopted, the committee endorsed the bill.

Appropriation to Attract Retirees to New Mexico (.208807.2)

Mr. Lehman and John Garcia, former secretary of tourism and former secretary of economic development, spoke in support of a bill to appropriate \$250,000 to the Tourism Department for a marketing campaign to attract individuals to retire in New Mexico. On questioning, the presenters noted that the funding would be for a pilot project. On a motion duly made, seconded and unanimously adopted, the committee endorsed the bill.

Appropriation for Soft Skills Education Programs (.209002.1)

Mr. Lehman spoke in support of a bill to appropriate \$50,000 to the PED to develop and implement soft skills education programs for high school students. On questioning, the presenters noted that JAG and JANM would work with the PED on the programs. On a motion duly made and seconded, the committee endorsed the bill amended as follows: on page 1, lines 16 and 17, strike "fifty thousand dollars (\$50,000)" and insert in lieu thereof "two hundred fifty thousand dollars (\$250,000)".

Appropriation for Solo-Worker Program (.209003.1)

Mr. Lehman, Ms. Yarborough and Mr. Hamrick spoke in support of a bill to appropriate \$1.5 million to the EDD for the solo-worker program. On questioning, Ms. Yarborough noted that the solo-worker program in Grants has created 11 jobs to date, and she expects a surge in enrollment in January. On a motion duly made, seconded and unanimously adopted, the committee endorsed the bill.

Adjournment

There being no further business before the committee, the sixth meeting of the ERDC for the 2017 interim adjourned at 3:35 p.m.