

**MINUTES
of the
FIRST MEETING
of the
ECONOMIC AND RURAL DEVELOPMENT COMMITTEE**

**June 12, 2019
State Capitol, Room 307
Santa Fe**

The first meeting of the Economic and Rural Development Committee (ERDC) was called to order by Senator Benny Shendo, Jr., chair, on June 12, 2019 at 10:11 a.m. in Room 307 of the State Capitol in Santa Fe.

Present

Sen. Benny Shendo, Jr., Chair
Rep. Antonio Maestas, Vice Chair
Rep. Abbas Akhil
Rep. Alonzo Baldonado
Rep. Kelly K. Fajardo
Rep. Willie D. Madrid
Sen. Richard C. Martinez
Sen. Michael Padilla
Sen. Pat Woods

Absent

Sen. Craig W. Brandt
Sen. Jacob R. Candelaria
Sen. Ron Griggs
Rep. Georgene Louis
Rep. Patricia Roybal Caballero

Advisory Members

Rep. Eliseo Lee Alcon
Rep. Micaela Lara Cadena
Rep. Rebecca Dow
Rep. David M. Gallegos
Rep. Susan K. Herrera
Rep. Tim D. Lewis
Rep. Matthew McQueen
Rep. Rod Montoya
Rep. Jane E. Powdrell-Culbert
Rep. William "Bill" R. Rehm
Rep. Tomás E. Salazar
Sen. William E. Sharer
Rep. Melanie A. Stansbury
Sen. Elizabeth "Liz" Stefanics
Sen. Bill Tallman
Rep. Linda M. Trujillo
Rep. Martin R. Zamora

Rep. Gail Armstrong
Sen. William F. Burt
Rep. Doreen Y. Gallegos
Rep. Dayan Hochman-Vigil
Rep. D. Wonda Johnson
Rep. Patricia A. Lundstrom
Sen. Mark Moores
Sen. Mary Kay Papen
Rep. Andrea Romero
Rep. Angelica Rubio
Rep. Patricio Ruiloba
Rep. Nathan P. Small

Guest Legislator

Sen. Nancy Rodriguez

Staff

Randall Cherry, Staff Attorney, Legislative Council Service (LCS)

Peter Kovnat, Bill Drafter, LCS

Mark Edwards, Bill Drafter, LCS

Guests

The guest list is in the meeting file.

Handouts

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

Wednesday, June 12

Welcome and Introductions

Senator Shendo welcomed the committee and asked members to introduce themselves.

2019 Interim Work Plan and Meeting Schedule

Mr. Cherry presented the proposed committee work plan and meeting schedule. Members discussed the following potential additions to or clarifications of work plan topics:

- the development of high-speed broadband infrastructure to further economic development, higher education and rural telemedicine applications;
- efforts by other states regarding professional licensure for various professions;
- potential rule promulgation to standardize implementation of the Local Economic Development Act and to provide greater transparency for oversight of the program;
- the status and potential of the wind and solar renewable energy business sector, including the potential to develop a supporting manufacturing sector in-state;
- public banking tools for economic development;
- the future of working lands, including forest thinning and watershed restoration programs;
- how to leverage the state parks to build ecotourism and the impact of the recent law that allows off-road vehicles to be street legal in certain communities;
- hemp production, processing and licensing as a new farm commodity;
- the status of produce farms and "buy local" marketing;
- how schools and senior citizen centers are incorporating local produce into their food services and a status report from the Agricultural Science Center in Los Lunas about its gardening programs;
- potential reworking of liquor licensing to expand the availability of dispenser's licenses and address issues concerning local breweries and distilleries;

- an update on workers' compensation insurance, including potential cost reduction for small and start-up businesses;
- self-governance of rural electric cooperatives;
- a focus in committee presentations on improving the environment for small businesses, including available and potential entrepreneurship and mentorship programs for new businesses;
- the legalization of recreational marijuana, including the effects on law enforcement;
- an examination of the small business sector that supports the oil and gas industry;
- development of a drone industry sector, including testing and manufacturing;
- the impact of the growing market share of electric vehicles on oil markets;
- the potential use of the Volkswagen settlement funds to develop charging stations for electric vehicles and how electric vehicle use might be taxed to support the State Road Fund;
- receiving reports regarding the growth of large businesses in New Mexico, including Intel Corporation, Spaceport America, Union Pacific Railroad Company and Facebook, Inc.;
- the dairy industry and value-added businesses, such as Leprino Foods Company;
- the statewide elementary school curricula and programs that assist students in planning for adult careers; and
- an update on and challenges and opportunities regarding cloud seeding.

Committee members also offered suggestions regarding meeting locations and topics for presentation at specific meeting locations, including:

1. at the meeting in Farmington:
 - a. receiving presentations regarding the oil industry in general as well as the specific issues concerning natural gas venting and flaring and hydraulic fracturing;
 - b. meeting at or receiving presentations from the San Juan College School of Energy concerning its various energy, mineral and renewable energy programs; and
 - c. receiving presentations regarding the carbon sequestration industry; and
2. potentially holding a joint meeting with the New Mexico Finance Authority Oversight Committee.

Motion

Upon a motion made by Senator Martinez and seconded by Senator Padilla, and without objection, the proposed work plan and meeting schedule was adopted as amended.

Adjournment

There being no further business before the committee, the first meeting of the ERDC for the 2019 interim adjourned at 11:10 a.m.