HOUSE JOINT MEMORIAL

## 56Th Legistature - STATE OF NEW MEXICO - SECOND SESSION, 2024

INTRODUCED BY

## DISCUSSION DRAFT

FOR THE ECONOMIC AND RURAL DEVELOPMENT AND POLICY COMMITTEE

A JOINT MEMORIAL
RAISING AWARENESS OF THE ECONOMIC CHALLENGES EXPERIENCED BY THE FOUR CORNERS REGION AND URGING NEW MEXICO'S CONGRESSIONAL DELEGATION TO SUPPORT LEGISLATION THAT WILL FUND THE CONSTRUCTION OF A FREIGHT RAIL LINE AND TRANSLOADING FACILITY ON THE NAVAJO NATION IN THE FOUR CORNERS REGION.

WHEREAS, San Juan county experiences high systemic poverty and unemployment, with a poverty level that is twice the national mean and with approximately one in four people living below the poverty line; and

WHEREAS, the Navajo Nation in San Juan county experiences even more severe poverty, with a poverty level that is nearly four times the national mean and with an estimated three out of every four young children living in households with incomes under one hundred eighty-five percent of the poverty level; and

WHEREAS, power plants, mines and associated businesses account for eighty percent of property tax revenues for San Juan county; and

WHEREAS, the San Juan generating station and San Juan coal mine closed in 2022, resulting in the loss of a substantial number of high-paying jobs; and

WHEREAS, the Four Corners power plant, which contributes nearly forty percent of the total revenue to the Navajo Nation general fund, is scheduled to close in 2031 and will result in the loss of thousands of additional jobs and millions of dollars in tax revenue; and

WHEREAS, the Four Corners region in San Juan county is one of the largest metropolitan statistical areas in the nation that does not have a freight rail line and the only metropolitan statistical area in New Mexico that does not have a freight rail line, interstate highway or commercial airport; and

WHEREAS, research by the economic development department and the city of Farmington identified nearly twenty billion dollars' ( $\$ 20,000,000,000)$ worth of products in projected demand for transport by rail through the Four Corners region; and

WHEREAS, constructing a Four Corners rail line that would connect to the present BNSF railway company rail line on the interstate 40 corridor between $G a 11 u p$ and Grants would capture . 226605.2
a high percentage of this projected demand, attract investment and businesses to the region, help diversify and support the tax base and workforce of San Juan county and contribute significant tax revenues to the state; and

WHEREAS, moving freight by rail can lower greenhouse gas emissions by up to seventy-five percent, with railroads being up to four times more fuel efficient than trucks and moving an average of one ton of freight more than four hundred eighty miles per single gallon of diesel fuel; and

WHEREAS, moving freight to the Four Corners region by rail would reduce shipping costs, traffic, road accidents and the cost of road construction and maintenance; and

WHEREAS, a memorandum of agreement already exists between the Navajo Nation and San Juan county to pursue the development and study the feasibility and environmental impact of a freight rail line to connect the Navajo agricultural products industry headquarters and Bisti areas on the Navajo Nation in San Juan county to the existing BNSF railway company rail line on the interstate 40 corridor; and

WHEREAS, with the Navajo Nation's dependence on power plants, coal mines and electric utility transmission lines, the recent and future closures of power plants and coal mines and the economic hardships and decreasing revenues of San Juan county, the Four Corners region needs financial assistance to build a rail line and capture the concomitant economic growth; . 226605.2

NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO that New Mexico's congressional delegation be urged to support legislation that will fund the construction of a freight rail line into the Four Corners region and a transloading facility on the Navajo Nation to help alleviate the region's high unemployment and extreme poverty through the creation of a rail economy; and

BE IT FURTHER RESOLVED that copies of this memorial be transmitted to New Mexico's congressional delegation.

