



# SB133 – RURAL AIR SERVICE ENHANCEMENT ACT

PRESENTED BY PEDRO RUEL – DIRECTOR OF THE NEW MEXICO DEPARTMENT OF TRANSPORTATION AVIATION DIVISION



# EXPANDED AIR SERVICE IN NEW MEXICO!



# SB133 – RURAL AIR SERVICE ENHANCEMENT ACT

Enacted in 2021

Signed by Governor Michelle Lujan Grisham

Becomes law on July 1, 2021

1 AN ACT  
2 RELATING TO AVIATION; ENACTING THE RURAL AIR SERVICE  
3 ENHANCEMENT ACT.  
4  
5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:  
6 SECTION 1. SHORT TITLE.--This act may be cited as the  
7 "Rural Air Service Enhancement Act".  
8 SECTION 2. DEFINITIONS.--As used in the Rural Air  
9 Service Enhancement Act:  
10 A. "department" means the department of  
11 transportation;

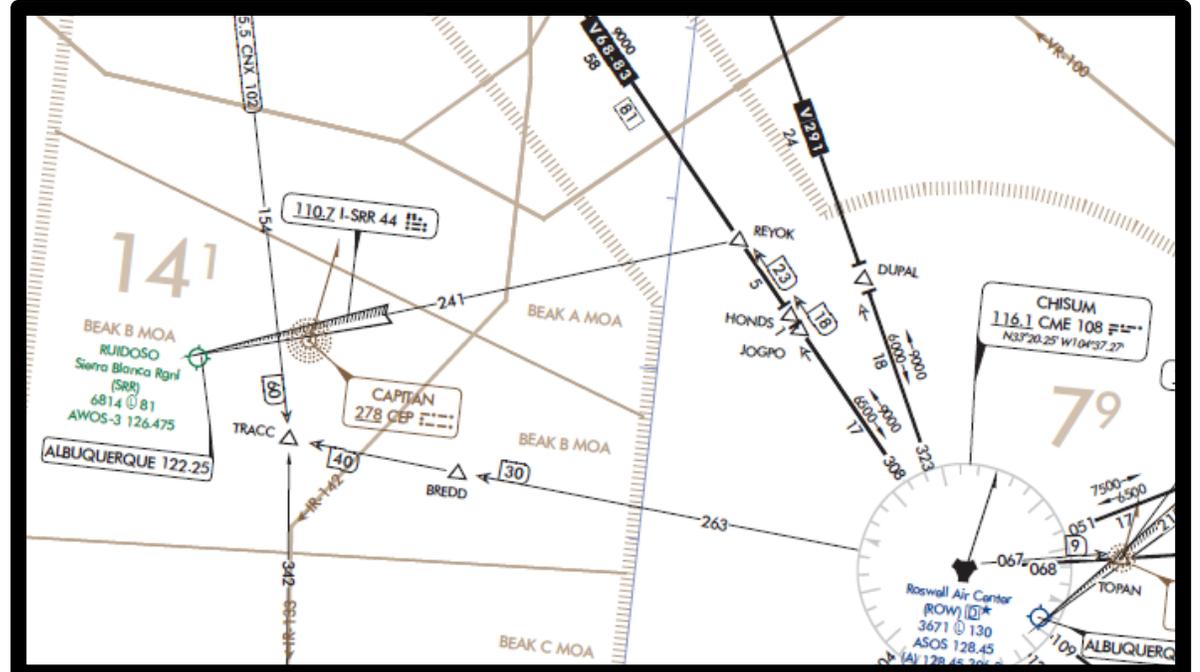
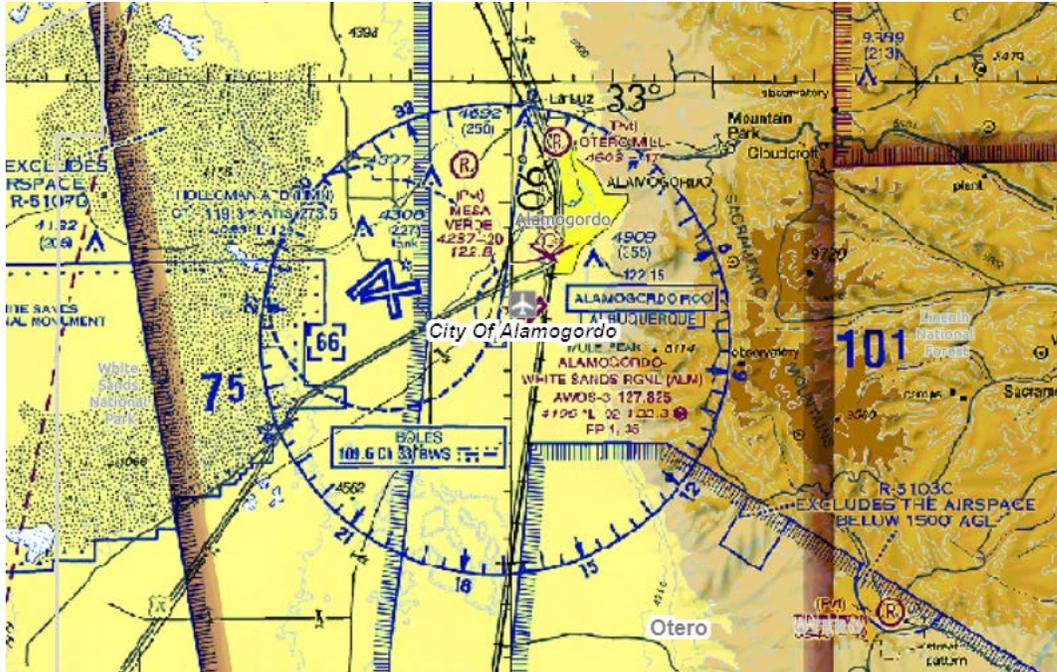
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**CLARIFICATION –  
ESSENTIAL AIR SERVICE V.  
SB133 OR RURAL AIR SERVICE ENHANCEMENT ACT**



# BASIC OPERATIONAL PROVISIONS OF SB133

1. Provides scheduled air passenger service to rural New Mexico
2. Must have a population of at least 20,000 within 50 miles of the airport served
3. Airplanes not to exceed a capacity of 9 passengers



## BASIC OPERATIONAL PROVISIONS OF SB133

4. Contracts between Air Service Providers and Municipalities/Counties to be at least two years
5. Only new routes are permitted for the grant program, no routes that are already served are permitted
6. Must be based on demand, economic impact, and feasibility of licensing in New Mexico



Embark Aviation

### New Mexico Air Service Marketing Strategy

Prepared for New Mexico Department of Transportation  
and New Mexico Department of Tourism



## **BASIC OPERATIONAL PROVISIONS OF SB133**

### **7. Maximum Contract Amounts:**

90% Reimbursement for a maximum contracted amount of \$1,750,000.00 for Airports without any scheduled air service

50% Reimbursement for a maximum contracted amount of \$1,250,000.00 for Airports with scheduled air service

**NEW MEXICO DEPARTMENT OF TRANSPORTATION**

**Aviation Grant Agreement Form**

# FUNDING

\$9,000,000.00 appropriated for SB133

10% of the \$9,000,000.00 may be used for infrastructure related to new air service



# WHAT WE KNOW ABOUT NEW MEXICO RURAL SCHEDULED PASSENGER SERVICES

20 Airports meet technical qualifications of 20,000 residents within 50 miles of the airport

Six of the airports already have scheduled passenger air service:

Clovis (EAS), Carlsbad (EAS), Silver City (EAS), Santa Fe, Hobbs, and Roswell



# WHAT WE KNOW ABOUT NEW MEXICO RURAL SCHEDULED PASSENGER SERVICES

14 of the 20 airports that technically qualify have no scheduled passenger air service, but both Ruidoso and Taos have special charter flights during ski season

How many air service agreements can be funded by \$9,000,000.00 over two years? Unknown. The estimates vary widely because routes have yet to be selected. Regional air service markets remained resilient through Covid 19 and the demand is expected to grow.



# WHERE ARE WE IN THE PROCESS?

Proposed rules, as required by law, have been drafted and are being published now

A public input hearing is scheduled in Albuquerque on July 8<sup>th</sup>, 2021; Dist. 3 auditorium in Abq.

Rules are set to become law in August 2021

Grants should start being issued in Winter 2021



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**ANY QUESTIONS?**

