

**MINUTES
of the
SECOND MEETING
of the
TRANSPORTATION INFRASTRUCTURE REVENUE SUBCOMMITTEE**

**October 20, 2020
Video Conference Meeting**

The second meeting of the Transportation Infrastructure Revenue Subcommittee was called to order by Representative Harry Garcia, vice chair, on Tuesday, October 20, 2020, at 9:14 a.m. by video and audio conference via an online platform.

Present

Rep. Harry Garcia, Vice Chair
Rep. Anthony Allison
Rep. Randal S. Crowder
Rep. David M. Gallegos
Rep. Joy Garratt
Sen. Ron Griggs
Rep. Patricia A. Lundstrom
Sen. Clemente "Memé" Sanchez
Sen. Pat Woods

Absent

Sen. John Arthur Smith, Chair
Rep. Daniel R. Barrone
Rep. Jane E. Powdrell-Culbert

Advisory Members

Rep. Alonzo Baldonado
Sen. Roberto "Bobby" J. Gonzales
Rep. Susan K. Herrera
Rep. Willie D. Madrid
Rep. Rodolpho "Rudy" S. Martinez
Sen. Pat Woods

Rep. Abbas Akhil
Rep. Rachel A. Black
Rep. Kelly K. Fajardo
Sen. Stuart Ingle
Rep. Antonio Maestas
Sen. William H. Payne
Rep. Angelica Rubio

Staff

Peter Kovnat, Bill Drafter, Legislative Council Service (LCS)
Sean Dolan, Bill Drafter, LCS
Sara Wiedmaier, Research Assistant, LCS

Minutes Approval

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

Handouts

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

Tuesday, October 20

Broadband: Planning, Installation and Road Construction in New Mexico (9:20 a.m.)

Michael Sandoval, secretary, Department of Transportation (DOT), updated the subcommittee on the increased need for broadband due to more home use during the COVID-19 pandemic. Mr. Sandoval stated that Facebook has laid some fiber-optic cable and access points to areas around Los Lunas and that negotiations for additional fiber-optic cable should be completed next year, and he stressed the need for expanded broadband access to rural areas, particularly in the southern part of the state.

Questions and comments from subcommittee members addressed the following topics:

- a need for legislation regarding revenue sharing;
- a request for the cost-per-mile of laying fiber-optic cable;
- how the process works for bidding on internet service provider projects;
- new road construction in the northwest portion of the state;
- whether the fiber-optic laid by Facebook can be used for other purposes;
- whether the DOT should be laying conduit instead of fiber-optic cable so fiber can later be installed; and
- which company is installing the fiber-optic cable.

Bond Program Update (9:47 a.m.)

Tamara P. Haas, P.E., director, Capital Programs and Investments Division, DOT, updated the subcommittee on the division's bond program and the program's outstanding debt. The presentation can be found here:

<https://www.nmlegis.gov/handouts/TIRS%20102020%20Item%202%20NM%20Dept.%20of%20Transportation%20Bond%20Program.pdf>.

Questions and comments from subcommittee members addressed the following topics:

- the remaining balance for bond capacity and how the bonds may be used;
- whether the bond capacity includes what passed in the 2020 special session and whether outside firms are used;
- a deferred project in Representative Allison's district; and
- a current study being done on state roads 31 and 128.

Update on the Gallup Port of Entry (10:20 a.m.)

Franklin Garcia, director, Modal Division, DOT, provided the subcommittee with an update on the port of entry in Gallup. The presentation can be found here:

<https://www.nmlegis.gov/handouts/TIRS%20102020%20Item%203%20Update%20on%20the%20Gallup%20Port%20of%20Entry.pdf>.

Questions and comments from subcommittee members addressed the following topics:

- the number of trucks that go through the port daily and annually and how the state will permit autonomous vehicles;
- whether an analysis has been done on the cost for operating all ports of entry;
- whether revenue collected by permits is used for any roads on tribal lands;
- what it means for a port to be closed and whether permits can still be sold; and
- the permit process for envoys going through ports of entry.

Driverless Trucks on Interstate 10

Charles Remkes, P.E., chief, Intelligent Transportation Programs, Highway Operations, DOT, updated the subcommittee on the multiple companies interested in running autonomous vehicle routes on Interstate 10. Mr. Remkes informed the subcommittee that Interstate 10 is increasing commercial use and that he expects that increase to continue.

Questions and comments from subcommittee members addressed the following topics:

- a request for a written report;
- whether time constraints on driving hours apply to a driver sitting in an autonomous vehicle; and
- concerns about the implications of autonomous driving and improvements to the roads that may be needed.

2021 DOT Proposed Legislation (11:28 a.m.)

Mr. Sandoval reviewed possible legislation for the upcoming session and said that he expects to have drafts ready for distribution in the next 30 days. He said that one of the top priorities is to change the bonding authority date, and he believes that now is a good time to change, as interest rates are historically low. Another priority is getting permission from the legislature to do design build from the motor vehicle excise tax. Mr. Sandoval said that he would also like to prioritize language giving the DOT more flexibility for highway projects and that a joint resolution may be introduced to transfer ownership of ports of entry from the Department of Public Safety to the DOT. The DOT would like to see some of its revenue go to the Local Government Transportation Fund.

A subcommittee member asked about the DOT's authority in issuing bonds and whether an emergency clause would be necessary.

Update on the Condition of State-Owned Equipment (1:00 p.m.)

Rick M. Padilla, P.E., executive director, Highway Operations, DOT, gave the subcommittee an update on fleet management replacement criteria, fiscal year (FY) 2021 equipment budget, equipment needs, FY 2020 equipment maintenance and repairs, fuel usage and cost of fuel. The presentation can be found here:

<https://www.nmlegis.gov/handouts/TIRS%20102020%20Item%205%20Update%20on%20the%20Equipment%20of%20State%20Owned%20Equipment.pdf>.

Questions and comments from subcommittee members addressed the following topics:

- what new costs would be required; and
- whether the equipment is bought locally.

Gasoline Tax (1:20 p.m.)

Laura Bianchini, Ph.D., chief economist, DOT, gave the subcommittee an update on New Mexico's gasoline motor fuel tax compared to other states, revenue distribution and diesel motor fuel tax compared to other states. The presentation can be found here:

<https://www.nmlegis.gov/handouts/TIRS%20102020%20Item%206%20Gasoline%20Tax.pdf>.

Questions and comments from subcommittee members addressed the following topics:

- the history of the gasoline tax, which was set in 1996 and would be at 28.6 cents per gallon if adjusted for inflation;
- concern about differences in gasoline prices across the country and whether research has been done on the subject;
- concerns about differing gasoline prices within the state; and
- where retailers are obtaining fuel since New Mexico now has only one refinery.

Main Street Project in Los Lunas (1:54 p.m.)

Justin Gibson, P.E., District 3 engineer, DOT, updated the subcommittee on the Main Street Project in Los Lunas, where 938 feet of the bridge across the Rio Grande is being replaced and is nearly complete. He said that all traffic is expected to move to the new bridge in mid-December and that the project is expected to be fully complete by mid-February, weather permitting.

Public Comment

There was no public comment.

Adjournment

There being no further business before the subcommittee, the meeting adjourned at 2:14 p.m.