

HOUSE MEMORIAL 41

53RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2018

INTRODUCED BY

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Pursuant to House Rule 24-1, this document incorporates amendments that have been adopted prior to consideration of this measure by the House. It is a tool to show the amendments in context and is not to be used for the purpose of amendments.

A MEMORIAL

RECOGNIZING AN OPPORTUNITY FOR JOB GROWTH PRESENTED BY THE ESCALANTE GENERATING STATION IN PREWITT, NEW MEXICO; REQUESTING THE ECONOMIC DEVELOPMENT DEPARTMENT, THE WORKFORCE SOLUTIONS DEPARTMENT AND THE ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT TO STUDY THIS POTENTIAL AND PROVIDE A REPORT.

WHEREAS, the northwest New Mexico region has a long history with energy production, including natural gas, oil, uranium and coal; and

WHEREAS, the energy sector, which includes coal and oil

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and gas production, has been the region's top economic base industry, responsible for generating upwards of forty percent of taxable gross receipts for local governments and for providing thousands of jobs and approximately twelve percent of the wages in the region; and

WHEREAS, due to changes in global markets, less expensive fuel stock and other factors, this region has been adversely affected by industry dislocations, downsizing in production and job loss; and

WHEREAS, the El Segundo and Lee Ranch mines, which supply fuel to Tri-State generation and transmission association's Escalante generating station, laid off nearly one-third of their workers at the beginning of 2017; and

WHEREAS, the New Mexico energy policy and implementation plan, finalized in 2015, recommends an all-of-the-above energy approach for New Mexico as a means to build from the energy assets and to grow the economy; and

WHEREAS, the federal economic development administration has made significant investments through its national partnerships for opportunity and workforce and economic revitalization initiative in assisting the coal-impacted communities of the northwest New Mexico region to develop a plan to diversify their economy; and

WHEREAS, the Escalante generating station employs more than one hundred people, provides one million four hundred

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thousand dollars (\$1,400,000) in property taxes per year and is an economic anchor for both Cibola and McKinley counties; and

WHEREAS, due to its proximity to the Escalante generating station and the availability of excess steam for industrial reuse, an international cardboard recycling company was recruited and attracted to co-locate on adjacent property;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF NEW MEXICO that the economic development department, the workforce solutions department and the energy, minerals and natural resources department be requested to conduct a study and develop a report analyzing:

A. the potential for co-generation and co-location of base industries to build a cluster of economic activity that benefits from the Escalante generating station and supports infrastructure and the workforce;

B. technologies, research facilities and businesses that can be supported by and benefit from this proximity;

C. best practices and other similar cluster developments in other states;

D. workforce strategies for potential implementation, including rapid response programs; and

E. the potential for the state and local governments to enter into public-private partnerships to incentivize these developments; and

BE IT FURTHER RESOLVED that the economic development

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department, the workforce solutions department and the energy, minerals and natural resources department, along with New Mexico energy associations, HENRC → ~~the national rural electric cooperative association,~~ ← HENRC the Continental Divide electric cooperative, local and regional economic development organizations and universities in the region, be consulted and engaged in the development of the report and strategic planning process; and

BE IT FURTHER RESOLVED that the economic development department, the workforce solutions department and the energy, minerals and natural resources department present their report to the relevant interim legislative committees prior to November 1, 2018; and

BE IT FURTHER RESOLVED that copies of this memorial be transmitted to the secretary of economic development, the secretary of workforce solutions HENRC →, **and** ← HENRC the secretary of energy, minerals and natural resources HENRC → **and** ~~the chief executive officer of the national rural electric cooperative association~~ ← HENRC.