

1 A MEMORIAL

2 RECOGNIZING AN OPPORTUNITY FOR JOB GROWTH IN SAN JUAN COUNTY  
3 AND REQUESTING THE ECONOMIC DEVELOPMENT DEPARTMENT TO CONVENE  
4 A STUDY GROUP TO STUDY THE POTENTIAL BENEFITS OF FREIGHT  
5 HAULING FROM SAN JUAN COUNTY TO THE MAJOR RAIL AND INTERSTATE  
6 CORRIDOR.

7  
8 WHEREAS, San Juan county has a long history with energy  
9 production, including natural gas, oil and coal; and

10 WHEREAS, the energy sector has been San Juan county's  
11 top economic base industry, responsible for generating vital  
12 taxable gross receipts for local governments and for  
13 providing thousands of jobs and millions of dollars in wages  
14 for the county; and

15 WHEREAS, due to changes in global markets, environmental  
16 pressures, less expensive fuel stock and other factors, this  
17 region has been adversely affected by industry dislocations,  
18 downsizing in production, job losses and potential future job  
19 losses; and

20 WHEREAS, the San Juan generating station and San Juan  
21 coal mine, which supplies fuel to the generating station,  
22 have either laid off or lost by attrition over one-third of  
23 their workers since the beginning of 2016 when the potential  
24 closure of the generating station was proposed for 2022; and

25 WHEREAS, the San Juan generating station and San Juan

1 coal mine currently employ more than four hundred fifty  
2 people and several hundred contractors and subcontractors and  
3 support business employees both locally and throughout the  
4 state, amounting to over one thousand five hundred employees,  
5 providing over nine million dollars (\$9,000,000) in property  
6 taxes per year and anchoring the economy of San Juan county;  
7 and

8 WHEREAS, workers displaced as a result of the potential  
9 closure of the San Juan generating station, San Juan coal  
10 mine and associated contractor, subcontractor and support  
11 business workforces will be seeking other career  
12 opportunities to support their families; and

13 WHEREAS, the New Mexico energy policy and implementation  
14 plan, finalized in 2015, recommends an energy approach that  
15 encourages and prizes energy development of all kinds for New  
16 Mexico, as a means to build from energy assets and to grow  
17 the economy; and

18 WHEREAS, the New Mexico energy roadmap, a consensus-  
19 based, stakeholder-developed plan, finalized in 2018, defines  
20 a set of goals and sequence of strategies required to  
21 diversify the New Mexico energy economy more effectively and  
22 to efficiently move energy and advance usage of alternative  
23 fuels for forms of transportation; and

24 WHEREAS, the regional economic assessment and strategy  
25 for the coal-impacted Four Corners region report, published

1 February 8, 2017, highlights the lack of rail service and  
2 industrial freight services in the Four Corners region as a  
3 roadblock to attracting new industry to the area; and

4 WHEREAS, the federal economic development administration  
5 has made significant investments through its national  
6 partnerships for opportunity and workforce and economic  
7 revitalization initiatives in assisting the coal-impacted  
8 communities of the northwest New Mexico region to develop a  
9 plan to diversify their economies; and

10 WHEREAS, limited industrial transportation  
11 infrastructure exists in San Juan county, with freight rail  
12 service over one hundred twenty miles away, the nearest  
13 interstate highway over one hundred miles away and a lack of  
14 commercial air service; and

15 WHEREAS, Navajo agricultural products industry produces  
16 a significant amount of agricultural goods on over seventy-  
17 two thousand acres; and

18 WHEREAS, increased manufacturing opportunities will help  
19 diversify and support the tax base and workforce of San Juan  
20 county; and

21 WHEREAS, increasing economic opportunities in the  
22 northwest New Mexico region further benefits the economy of  
23 New Mexico and adds to tax revenues contributing to the state  
24 budget;

25 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF

1 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the economic  
2 development department be requested to convene a study group,  
3 along with the workforce solutions department, the department  
4 of transportation and the energy, minerals and natural  
5 resources department, to conduct a study and develop a report  
6 analyzing:

7 A. the economic impact of increased capability to  
8 export natural resources and agricultural, industrial and  
9 retail products;

10 B. the cost differential of the construction of a  
11 railway and the construction of an industrial freight  
12 corridor;

13 C. the cost differential of the transportation of  
14 goods on rail and an industrial freight corridor for shippers  
15 and end users;

16 D. potential emissions and highway road  
17 maintenance reductions as a result of fewer diesel trucks  
18 operating on state highways; and

19 E. rail service and economic impact information  
20 already obtained and developed for Four Corners economic  
21 development; and

22 BE IT FURTHER RESOLVED that the economic development  
23 department, the workforce solutions department, the  
24 department of transportation and the energy, minerals and  
25 natural resources department, along with the New Mexico

1 natural gas vehicles association, the New Mexicans for  
2 economic prosperity growth coalition, local and regional  
3 economic development organizations and colleges and  
4 universities in the region, be consulted and engaged in the  
5 development of the report and strategic planning process; and

6 BE IT FURTHER RESOLVED that the economic development  
7 department, the workforce solutions department, the  
8 department of transportation and the energy, minerals and  
9 natural resources department present their report to the  
10 relevant interim legislative committees prior to November 1,  
11 2019; and

12 BE IT FURTHER RESOLVED that copies of this memorial be  
13 transmitted to the secretary of economic development, the  
14 secretary of workforce solutions, the secretary of  
15 transportation, the secretary of energy, minerals and natural  
16 resources and the chief executive officer of Four Corners  
17 economic development. \_\_\_\_\_