

**MINUTES
of the
FOURTH MEETING
of the
ECONOMIC DEVELOPMENT AND POLICY COMMITTEE**

**September 13, 2021
Escalante Power Plant
Prewitt**

**September 14, 2021
New Mexico State University-Grants Gymnasium
Grants**

The fourth meeting of the Economic Development and Policy Committee was called to order by Senator Carrie Hamblen, chair, on September 13, 2021 at 10:45 a.m. at the Escalante Power Plant in Prewitt. In the absence of a quorum, the meeting proceeded as a subcommittee.

Present

Sen. Carrie Hamblen, Chair
Rep. Antonio Maestas, Vice Chair
Rep. Meredith A. Dixon
Rep. Kelly K. Fajardo (9/14)
Rep. Georgene Louis (9/14)
Rep. Tara L. Lujan (9/13)
Rep. Willie D. Madrid
Rep. Patricia Roybal Caballero
Sen. Benny Shendo, Jr.

Absent

Sen. Ron Griggs
Rep. Joshua Hernandez
Sen. Leo Jaramillo
Rep. Raymundo Lara
Rep. Kristina Ortez
Sen. Michael Padilla
Rep. Jane E. Powdrell-Culbert
Rep. Linda Serrato
Sen. Pat Woods

Advisory Members

Rep. Anthony Allison
Rep. Alonzo Baldonado (9/14)
Sen. Crystal R. Diamond
Rep. Joy Garratt (9/14)
Rep. Pamela Herndon
Rep. Patricia A. Lundstrom (9/13)
Sen. Bill Tallman (9/13)
Rep. Luis M. Terrazas (9/13)

Rep. Eliseo Lee Alcon
Rep. Gail Armstrong
Rep. Micaela Lara Cadena
Sen. Jacob R. Candelaria
Rep. Ambrose Castellano
Rep. Christine Chandler
Rep. Rebecca Dow
Sen. Katy M. Duhigg
Rep. Doreen Y. Gallegos
Sen. Siah Correa Hemphill
Rep. Susan K. Herrera
Rep. Derrick J. Lente
Rep. Marian Matthews
Rep. Matthew McQueen
Rep. Rod Montoya

Sen. Cliff R. Pirtle
Rep. William "Bill" R. Rehm
Rep. Andrea Romero
Sen. Joshua A. Sanchez
Rep. Nathan P. Small
Sen. Elizabeth "Liz" Stefanics
Rep. Candie G. Sweetser

Guest Legislators

Rep. D. Wonda Johnson (9/13)
Sen. George K. Munoz (9/13)

(Attendance dates are noted for members not present for the entire meeting.)

Staff

Peter Kovnat, Bill Drafter, Legislative Council Service (LCS)
Ariel MacMillan-Sanchez, Staff Attorney, LCS
Samantha DeLap, Intern, LCS

Guests

The guest list is in the meeting file.

Handouts

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

References to Webcast

The time reference noted next to each agenda item in this document is cross-referenced to the webcast of the committee meeting, which can be found at www.nmlegis.gov, under the "Webcast" tab. The presentations made and committee discussions for agenda items can be found on the recorded webcast for this meeting.

Monday, September 13 — Escalante Power Plant, Prewitt

Welcome and Introductions (10:45 a.m.)

Senator Hamblen welcomed the committee and introduced the members.

Welcoming Remarks and Site Overview (10:47 a.m.)

Severo Vince Martinez, senior government relations advisor, Tri-State New Mexico, introduced the Tri-State Cooperative. He discussed the effects of the COVID-19 pandemic on the reliability of service, the Tri-State Cooperative Responsible Energy Plan to reduce emissions and the benefits that distribution cooperatives provide to the rural New Mexico economy. Brian Rychener, plant manager, Escalante Power Plant, gave a brief history of the plant, starting from

its development until its closure in 2020. He said that the plant is still up-to-date and is equipped to operate until approximately 2050. The presentation can be found here:

<https://www.nmlegis.gov/handouts/EDPC%20091321%20Item%201%20Tri-State.pdf>

Green Fuel Technology (11:05 a.m.)

Wiley Rhodes, co-founder, Escalante H2 Power, discussed the mission of Newpoint Gas, LLC and its current project of separating gas molecules to maximize molecular volume while limiting the environmental impact from those molecules. He noted the benefits of the Escalante Power Plant's remote location, Newpoint Gas's plans to transition the plant into a hydrogen-based green energy producer and the potential jobs that this new effort will bring to the region. The presentation can be found here:

<https://www.nmlegis.gov/handouts/EDPC%20091321%20Item%202%20NewpointGas.PDF.pdf>

Community Readiness: The Path to Make New Mexico Bioscience Ready and a Co-Investment Program (12:42 p.m.)

Dale Dekker, chair, Board of Directors, New Mexico Bioscience Authority, and architect and founder, Dekker/Perich/Sabatini, discussed the future of the biotechnology market and the value that it can bring to the economy of New Mexico. He spoke about the importance of keeping graduates of bioscience-related programs in New Mexico, plans to develop Community Readiness Zones and the future of the New Mexico Bioscience Authority's Co-Investment Program to keep bioscience companies and jobs in New Mexico.

Stephanie Tofighi, M.S.P.P., executive director, New Mexico Bioscience Authority, discussed ASCEND, the business accelerator program partnership. The goal of the accelerator program is to expand the reach of the program, which trains university faculty members to work effectively with entrepreneurs to start bioscience businesses and to include biosciences throughout the state rather than only biomedical sciences at the University of New Mexico. The presentation can be found here:

<https://www.nmlegis.gov/handouts/EDPC%20091321%20Item%203%20Bioscience.pdf>

Public Comment (1:40 p.m.)

A list of individuals making public comment is available in the meeting file.

Tour of the Escalante Power Plant (1:50 p.m.)

Recess

The meeting recessed at 3:30 p.m.

Tuesday, September 14 — New Mexico State University (NMSU)-Grants Gymnasium

Reconvene

Senator Hamblen reconvened the meeting at 10:15 a.m.

Welcome to NMSU-Grants (10:17 a.m.)

Dr. Marlene Chavez-Toivanen, associate campus director and vice president for academic affairs, NMSU-Grants, welcomed the committee to the campus and provided a presentation on the course offerings and student demographics at NMSU-Grants as well as upcoming initiatives. The presentation can be found here:

<https://www.nmlegis.gov/handouts/EDPC%20091321%20Item%204%20NMSU.pdf>.

Public Comment (11:04 a.m.)

A list of individuals making public comment is available in the meeting file.

Economic Development of the Navajo Nation (11:06 a.m.)

Douglas Capitan, senior project specialist, Division of Economic Development, Navajo Nation, discussed the vision and offerings of the Navajo Nation Division of Economic Development, including technical assistance, business operations strategic planning and COVID-19 operations best practices. He discussed possible major commercial tracks of development, as well as plans for how the Navajo Nation intends to use grant money to assist with community development. Daisha Holyan, eligibility technician, Division of Economic Development, Navajo Nation, reviewed new programs within the Navajo Tourism Department. She outlined the departmental structure, priorities, internal process used to assist businesses and methods for navigating the Navajo justice system and discussed the value that Navajo artists bring to the economy. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=EDPC&Date=9/13/2021&ItemNumber=5>.

Private Prisons: Various Perspectives (1:00 p.m.)

Nia Rucker, policy counsel and regional manager, American Civil Liberties Union of New Mexico, and member, People Over Private Prisons-New Mexico, explained the cost-cutting and profit-increasing measures that prisons take and how those measures affect inmates. She discussed the negative impacts that the COVID-19 pandemic has had on the treatment and care of inmates and discussed lawsuits brought against prisons, the employment demographics of prison employees and the economic impacts of over-incarceration.

Jon Courtney, deputy director for program evaluation, Legislative Finance Committee, gave a brief overview of the history and current composition of prisons in New Mexico, noting that the state currently has seven public and four private prisons, with a capacity of approximately 7,600 beds. He discussed issues that have been uncovered during evaluations, including a lack of long-term planning, costs, staffing, the costs of excess capacity and the potential effects that closing private prisons may have on gross receipts tax revenue.

Dr. Brady Horn, associate chair, Department of Economics, University of New Mexico, discussed current recidivism rates and trends in New Mexico, the negative economic impact of incarceration and recidivism and literature that reveals the correlation between private prisons and increased recidivism rates.

Linda Freeman, executive director, New Mexico Sentencing Commission, reviewed the purpose and duties of the New Mexico Sentencing Commission. She discussed the current capacity of prisons in New Mexico and the different prison classification levels.

The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=EDPC&Date=9/13/2021&ItemNumber=6>.

Adjournment

There being no further business before the committee, the meeting adjourned at 3:26 p.m.