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HOUSE MEMORIAL 11

43RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1998

INTRODUCED BY

JIMMIE GARNENEZ SR.

A MEMORIAL

**REQUESTING THE CONGRESS OF THE UNITED STATES AND THE
SECRETARIES OF AGRICULTURE AND COMMERCE TO FUND THE
CONSTRUCTION OF THE WATER TREATMENT PLANT AND OTHER RELATED
INFRASTRUCTURE AT NAVAJO AGRICULTURAL PRODUCTS INDUSTRY
LOCATED IN SAN JUAN COUNTY, NEW MEXICO.**

**WHEREAS, on April 11, 1956, the eighty-fourth United
States congress passed Public Law 84-485, authorizing the
secretary of the interior to construct, operate and maintain
the Colorado river storage project and participating projects
and for other purposes; and**

**WHEREAS, on December 12, 1957, the Navajo Nation council
passed resolution CD-86-57 urging authorization by congress of
the Navajo Indian irrigation project and the San Juan-Chama
diversion project in New Mexico and approving in principle**

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1 legislation proposed for this purpose; and

2 WHEREAS, on June 12, 1962, the eighty-seventh United
3 States congress passed Public Law 87-483 to authorize the
4 secretary of the interior to construct, operate and maintain
5 the Navajo Indian irrigation project and the initial stage of
6 the San Juan-Chama diversion project as participating projects
7 of the Colorado river storage project and for other purposes;
8 and

9 WHEREAS, the San Juan-Chama diversion project was
10 completed on time and has an annual diversion of one hundred
11 ten thousand acre feet from the San Juan river for utilization
12 in the Rio Grande basin in New Mexico, but the Navajo Indian
13 irrigation project is twenty years behind schedule and has
14 been funded in a piecemeal fashion; and

15 WHEREAS, the Navajo Indian irrigation project currently
16 has seventy thousand acres under cultivation and another ten
17 thousand acres currently being developed with thirty thousand
18 acres still left to develop; and

19 WHEREAS, the Navajo Nation's enterprise, the Navajo
20 agricultural products industry, in partnership with the
21 largest potato grower in the United States, is forming a new
22 joint growing venture to grow an additional fifteen thousand
23 acres of potatoes; and

24 WHEREAS, this joint growing venture will provide one
25 hundred new jobs with an estimated two million dollar

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1 (\$2,000,000) annual payroll; and

2 WHEREAS, the Navajo Nation's enterprise, the Navajo
3 agricultural products industry, is working to form another
4 partnership to include the largest frozen potato processor
5 company in the United States to create a factory venture to
6 produce three hundred million pounds of frozen potato products
7 with an estimated one hundred million dollars (\$100,000,000)
8 in gross annual sales, providing four hundred new jobs with an
9 estimated twelve million dollar (\$12,000,000) annual payroll;
10 and

11 WHEREAS, the potato processing plant project will help
12 reduce the current fifty percent unemployment rate on the
13 Navajo Nation, a giant step toward self-sufficiency, and will
14 demonstrate to the United States congress that the annual
15 funds for the Navajo Indian irrigation project make new
16 industry such as this possible; and

17 WHEREAS, these projects will also help the Navajo Nation
18 respond to the new welfare reform act, Public Law 104-193; and

19 WHEREAS, in 1996, the New Mexico legislature amended the
20 New Mexico Finance Authority Act to include in eligible
21 projects those of an Indian nation, tribe or pueblo located
22 wholly or partially in New Mexico, including a political
23 subdivision or a wholly owned enterprise of an Indian nation,
24 tribe or pueblo; and

25 WHEREAS, in 1996, the New Mexico legislature authorized

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1 capital project loan financing through the New Mexico finance
2 authority to the Navajo Nation for a water treatment plant and
3 related infrastructure for a potato processing plant at the
4 Navajo agricultural products industry on the Navajo Nation,
5 estimated to cost two million dollars (\$2,000,000); and

6 WHEREAS, in the same year, the legislature authorized the
7 issuance of one hundred thousand dollars (\$100,000) in
8 severance tax bonds to construct water treatment infrastructure
9 for this same project; and

10 WHEREAS, in 1997, the New Mexico legislature authorized
11 the New Mexico finance authority to make loans of up to twenty
12 million dollars (\$20,000,000) from the public project
13 revolving fund to the Navajo Nation for the development of a
14 potato processing plant; and

15 WHEREAS, in 1997, the New Mexico legislature provided an
16 intergovernmental business tax credit against corporate income
17 tax for new businesses locating on Indian land providing
18 relief on double taxation; and

19 WHEREAS, on March 29, 1996, the Navajo Nation council
20 passed resolution CMA-25-96 appropriating two hundred fourteen
21 thousand dollars (\$214,000) for the purpose of planning a
22 potato processing plant at the Navajo agricultural products
23 center and last month appropriated ten million dollars
24 (\$10,000,000) to its undesignated reserve for direct capital
25 contribution toward the potato processing plant, the water

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1 treatment plant and related infrastructure at Navajo
2 agricultural products industry, thereby demonstrating the
3 Navajo Nation's good faith efforts toward development of this
4 important economic development project; and

5 WHEREAS, pursuant to Public Law 104-127, the federal
6 Agricultural Improvement Reform Act of 1996, the Equity and
7 Educational Land Grant Statute of 1996 and the Equity and
8 Educational Land Grant Statute of 1994, the United States
9 department of agricultural and the United States department of
10 commerce have discretionary authority to make grants and loans
11 for economic development projects and on April 29, 1994,
12 United States President William F. Clinton issued a memorandum
13 directing federal government cooperation with the Native
14 American tribal governments to help support this project;

15 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
16 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the congress
17 of the United States, the secretary of the federal department
18 of agriculture and the secretary of the federal department of
19 commerce be requested to fund the construction of the water
20 treatment plant and other related infrastructure at Navajo
21 agricultural products industry located in San Juan county, New
22 Mexico; and

23 BE IT FURTHER RESOLVED that copies of this memorial be
24 sent to every member of the New Mexico congressional
25 delegation, the secretary of the federal department of

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1 agriculture and the secretary of the federal department of
2 commerce.

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