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FISCAL IMPACT REPORT

SPONSOR Louis ORIGINAL DATE 3/3/15
LAST UPDATED _____ HM 82
SHORT TITLE Uranium Mining Health Data & Conditions SB _____
ANALYST Armstrong

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$100.0	\$100.0	\$200.0	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 494, SB 610

SOURCES OF INFORMATION

LFC Files

Responses Received From

Energy, Minerals and Natural Resources Department (EMNRD)
Department of Health (DOH)

SUMMARY

Synopsis of Bill

House Memorial 82 requests that DOH compile data from existing sources to develop a profile of communities where permitted radium, thorium, or uranium mining and milling activities were or may have occurred within the Grants mineral belt to establish a baseline of the current health conditions.

FISCAL IMPLICATIONS

The costs of this memorial would be absorbed by agency operating budgets. DOH notes there are no staff or funding currently available to support HM 82's request. The agency estimated an additional annual operating cost of \$100 thousand in fiscal year 2016 and future years based on dedicating one FTE, and costs to support the employee, to this research.

SIGNIFICANT ISSUES

Uranium is a radioactive heavy metal that occurs naturally in the earth. People may be exposed to more uranium if they live in an area with naturally higher amounts of uranium. Some geographical regions of the United States, particularly the western states, such as New Mexico

and especially west-central New Mexico, exhibit higher than average uranium levels due to natural geological formations coupled with extensive uranium ore mining and milling activities. These higher levels of uranium may result in increased human exposure. The adverse health effects of mining are numerous and well known. Dusts created during mining create diseases such as coal worker's pneumoconiosis and silicosis in which mineral particles are deposited deep in the lung that cannot be cleared, thereby causing lung damage and scarring. Other hazardous exposures in mines include mine gasses, such as methane, sulfur dioxide and carbon monoxide, and diesel exhaust. Of particular concern for uranium mining is radon gas, which is released when tailings piles are created during the extraction process.

During the uranium boom from the 1950s to the early 1980s, New Mexico was the largest producer of uranium in the world. During the early years of the boom, there were few, if any, requirements that uranium mines be reclaimed. EMNRD's Mining and Minerals Division (MMD) has developed an inventory of closed uranium mines in New Mexico, identifying approximately 260 mines where uranium production occurred. Of these mines, more than half have not been reclaimed. The unreclaimed mines are mainly smaller, older mines. The later, larger mines are largely being reclaimed under current regulatory programs.

Most of the mines are in the area of the Grants mineral belt – north of I-40, between Gallup and Laguna Pueblo – identified in the memorial. Using state and federal funds, MMD has conducted assessments at many of the unreclaimed uranium mines. Based on these assessments, a Geographic Information Systems (GIS) Prioritization Model was developed by MMD to examine various means of ranking the abandoned uranium mines thus far assessed. EMNRD and the New Mexico Environment Department (NMED) are working with federal agencies, including the Environmental Protection Agency and the Department of the Interior, to use federal funds and funds from bankruptcy settlements to pursue reclamation at certain uranium mines.

HM 82 requests that DOH and NMED propose conditions on permits that can mitigate the health consequences of permitted uranium mining and milling and mitigation efforts to alleviate continuing consequences of historical uranium mining and milling activities. According to EMNRD, it is unclear whether MMD has the authority to include such conditions on permitted uranium sites under the New Mexico Mining Act. Proposed changes to uranium mine permits would need to be approved by the New Mexico Mining Commission, which would likely require a rule change. Permits for new uranium mills are handled by NMED, and proposed changes to these permits, in general, would need to be approved by the Water Quality Control Commission and would also likely require a rule change.

RELATIONSHIP

Senate Bill 610 and duplicate House Bill 494 create a community health study fund requiring DOH to conduct a comprehensive health study of the health impacts of current and historical mining activity on residents living in communities affected by the contamination of air, land, and water resulting from mining activities with an emphasis on uranium mining and milling and federally-designated superfund sites related to uranium mining and milling.

JA/je/bb