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FISCAL IMPACT REPORT

SPONSOR Townsend/Scott/Mason/Garcia **LAST UPDATED** _____
ORIGINAL DATE 02/28/23
SHORT TITLE Study Rare Earth Mineral Amounts **BILL** House Memorial
NUMBER 71
ANALYST Sanchez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
	No fiscal impact	No fiscal impact	No fiscal impact		Nonrecurring	
Total						

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Responses Received From

New Mexico Institute of Mining and Technology (NM Tech)

SUMMARY

Synopsis of House Memorial 71

House Memorial 71 requests that the New Mexico Institute of Mining and Technology (NM Tech) convene a task force to study the quantity and amount of rare earth minerals within the state and assess whether the amount of minerals contained therein will be sufficient to meet New Mexico's projected need as the use of renewable energy technology increases. The memorial requests that NM Tech provide a copy of the report to each member of the Legislature by January 1, 2024.

This bill does not contain an effective date and, as a result, would go into effect June 16, 2023 (90 days after the Legislature adjourns) if signed into law.

FISCAL IMPLICATIONS

House Memorial 71 does not contain an appropriation and, therefore, does not impact the general fund in FY24. The requested study's costs are indeterminate. However, the New Mexico Institute of Mining and Technology stated:

Unfunded, the task force would likely be limited to published and legacy data resources, limiting the value of the analysis. Important findings from the study could outline a course of action and budget to better characterize the resource as intended within the

memorial.

SIGNIFICANT ISSUES

Analysis from the New Mexico Institute of Mining and Technology stated:

Rare earth elements (REE) are increasingly becoming more important in our technological society and are used in many of our electronic devices. REE include the 15 lanthanide elements (atomic number 57-71), yttrium (Y, atomic number 39), and scandium (Sc). REE are lithophile elements (or elements relatively enriched in the Earth's crust) that have similar physical and chemical properties, and, therefore, occur together in nature. New Mexico has numerous REE deposits but very few of them have been evaluated for their REE content. Providing an inventory of mining districts with known REE deposits in the state can be compiled, however this analysis would rely on both recent and legacy inventories in the state.

SS/al/hg