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FISCAL IMPACT REPORT

SPONSOR: Garcia DATE TYPED: 02/27/01 HB _____
 SHORT TITLE: Walnut/Griggs Superfund Site Cleanup SB SJM 23
 ANALYST: Belmares

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
			See Fiscal Implications section below.	Recurring	GF/OSF

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Department of Environment (DOE)

SUMMARY

Synopsis of Bill

Senate Joint Memorial 23 directs the Department of Environment to work cooperatively with the City of Las Cruces and Dona Ana County to investigate all feasible options for funding any non-federal share of the necessary clean up of the ground water pollution at the Griggs and Walnut Site, a proposed Superfund site.

FISCAL IMPLICATIONS

The federal Superfund program will cover all of the costs associated with the investigation of the ground water plume and most of the costs associated with clean up of the plume in the even a viable potentially responsible party is not identified. In such a case, federal funds cover 90 percent of the clean up costs to include the purchase and installation of the treatment system and operation of the system for the first ten years. The state is responsible for funding the remaining ten percent of the costs.

The Department of Environment has indicated the state's ten percent share of clean up costs for the first ten years may amount to \$500.0 to \$600.0. The state's annual cost for operation and maintenance of the system beyond ten years may amount to \$300.0 or more per year with the possibility the clean up may take up to 30 years.

ADMINISTRATIVE IMPLICATIONS

This Joint Memorial will not require additional administrative resources. The Department of Environment currently receives federal funding to fund staff involvement with investigation, remedy selection, remediation system design, and system operation at other Superfund sites.

OTHER SUBSTANTIVE ISSUES

Contaminants

- Perchloroethylene (PCE) is a solvent used in the dry cleaning industry and for other industrial purposes.
- The presence of PCE in ground water above five parts per billion renders the ground water unusable for drinking and other purposes.
- Evidence indicates exposure to PCE may cause cancer.
- PCE may degrade naturally in the environment to other chemicals that may also cause cancer, liver and kidney damage, and circulatory and central nervous system damage.
- The federal Environmental Protection Agency (EPA) drinking water standards for PCE is 5 parts per billion.
- The state ground water standard for PCE is 20 parts per billion (20.6.2.3103 NMAC).

Contamination

- A large perchloroethylene (PCE) ground water contamination plume is located beneath the eastern portion of Las Cruces, New Mexico. The Plume extends from an area approximately five blocks west of Solano Drive east to Interstate 25, and from Hadley Avenue south to Griggs Avenue.
- Currently the highest concentrations of PCE measured in the Griggs and Walnut ground water plume is 53 parts per billion, more than ten times the federal drinking water standard.
- The Griggs and Walnut plume has contaminated four City of Las Cruces municipal supply wells. One of these wells was removed from service in September 1996.
- The source of the ground water contamination is not known at this time; further investigation is required to locate the source.

Clean Up

- The Department of Environment has indicated there is no responsible party to clean up the contamination addressed in the bill.
- The EPA has proposed adding the Griggs and Walnut ground water plume site to the National Priorities List to have the groundwater cleaned up pursuant to the federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), or "Superfund" program.

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- The contaminant plume is expected to be cleaned up by pumping the contaminated water out of the aquifer, treating the water to remove the contaminants, and returning the treated water to the aquifer. It is estimated that 30 yea
- The Department of Environment asserts clean up of the plume will allow for continued use of the affected municipal water supply wells into the future and will limit further spread of contamination.

EB/njw:ar