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## FISCAL IMPACT REPORT



SPONSOR: Martinez DATE TYPED: 01/28/02 HB HJM 23

SHORT TITLE: Abandoned Mining Operations SB \_\_\_\_\_

ANALYST: Valenzuela

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
		\$0.1	Indeterminate	Non-Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Relates to Appropriation in The General Appropriation Act

### SOURCES OF INFORMATION

LFC files  
 Energy, Minerals and Natural Resources Department (EMNRD)  
 State Land Office  
 Department of Environment (DOE)

### SUMMARY

#### Synopsis of Bill

House Joint Memorial 23 requests the department of environment to develop a comprehensive evaluation and assessment of the required remediation of abandoned mine sites in Cibola and McKinley counties. HJM 23 directs the department to present its findings to the appropriate 2002 legislative interim committee, which would be the Water and Natural Resources Committee.

#### Significant Issues

Mining in both the Cibola and McKinley counties has a long history. The primary types of mines in these areas are coal or uranium mines. However, companies continue to produce perlite and gypsum, as well as crushed stone and sand/gravel for highway construction.

The joint memorial would require a considerable effort not only on the part of the Department of Environment but on other state and federal agencies. At the federal level, the U.S. Nuclear Regulatory Commission, the U.S. Environmental Protection Agency, and the U.S. Department of the

Interior have an interest in uranium and coal production, whether from underground or surface production. At the state level, the Energy, Minerals and Natural Resources Department regulates coal mining and reclamation, but also manages an abandoned mine land program, which focus is mine safety and stabilization. Depending on the land ownership mix, the State Land Office could have a role as well as the Natural Resources Trustee in recovering damages on behalf of New Mexicans.

### **FISCAL IMPLICATIONS**

Though the memorial does not carry an appropriation, it would have a fiscal impact on each of the agencies that would be involved in the evaluation. The amount of impact is indeterminate, however, because none of the agencies estimated its potential costs. The cost, presumably, would be a reallocation of existing resources. The Department of Environment has stated that it would be hard pressed to shift its resources to address the provisions of this joint memorial because of ongoing environmental assessments of hard rock mines throughout New Mexico.

### **ADMINISTRATIVE IMPLICATIONS**

There would be an administrative impact on the agencies involved, who would have to divert its existing resources to meet the provisions of this joint memorial.

MFV/ar