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# FISCAL IMPACT REPORT

|             |     |                              | <b>ORIGINAL DATE</b> | 2/15/2007 |    |               |
|-------------|-----|------------------------------|----------------------|-----------|----|---------------|
| SPONSOR     | Hea | ton                          | LAST UPDATED         | 3/11/2007 | HB | 682/aHJC/aSJC |
|             |     |                              |                      |           |    |               |
| SHORT TITLE |     | Mine Safety Rule Enforcement |                      |           | SB |               |

# ANALYST McOlash\Baca

### **APPROPRIATION (dollars in thousands)**

| Appropr | iation | Recurring<br>or Non-Rec | Fund<br>Affected |
|---------|--------|-------------------------|------------------|
| FY07    | FY08   |                         |                  |
|         | NFI    |                         |                  |
|         |        |                         |                  |

(Parenthesis () Indicate Expenditure Decreases)

# SOURCES OF INFORMATION

LFC Files

<u>Responses Received From</u> Energy, Minerals, and Natural Resources Department (EMNRD)

## SUMMARY

#### Synopsis of SJC Amendments

Senate Judiciary amendments stipulate the board shall (instead of may), after a public hearing, adopt rules for the protection of life and safety of employees; and that the State Mine Inspector shall (instead of may), issue an order closing all or any portion of the mine to regular operations deemed unsafe and provide an explanation to the owner for the action and shall (instead of may) certify, recertify or discipline persons to act as mine foremen and mine examiners.

#### Synopsis of HJC Amendments

The amendments adopted by the House Judiciary Committee add that membership of the board shall represent "and balance management and non-management employees at" mining operations addressed by the bill, and provide that members of the board shall "receive compensation pursuant to the Mileage and Per Diem Act."

## Synopsis of Original Bill

House Bill 682 amends, repeals, and enacts sections of Chapter 69 NMSA to provide for mine safety and the enforcement of mine safety laws.

# **FISCAL IMPLICATIONS**

NFI

# **SIGNIFICANT ISSUES**

Many mine safety laws date to the 1930s and were partially repealed and rewritten in the 1980s when the State Mine Inspector's regulatory authority was superseded by the federal Mine Safety and Health Administration and the Inspector's office was transferred to New Mexico Tech. While the role of the Inspector shifted from a regulatory entity to primarily a training organization, many laws still included outdated duties of the Inspector. In recent years, these outdated statutes have been the source of some confusion over the role of the Inspector.

According to EMNRD, this bill includes extensive changes to the State's mine safety laws in an effort to bring these laws in line with the current role of the State Mine Inspector and the Mining Safety Board. The changes fall into the following categories:

- 1. Repeal outdated statutes that have been superseded by federal mine safety laws and to avoid conflict and duplicative regulation between the State Mine Inspector and the federal Mine Safety and Health Administration.
- 2. Rewrite the laws governing the certification of mine personnel. Certain levels of coalmine officials (e.g., foremen) must be certified by the Inspector. These changes move most of the qualifications to rules and create a process for disciplining officials and appealing the Inspector's actions to the Mine Safety Board. The bill provides the mining industry and workers with a clearer list of the Inspector's duties.
- 3. Clarify the role of the Inspector and the Mining Safety Board with more comprehensible legislative guidance. The duties of the Inspector are rewritten to reflect the current reality. The Mining Safety Board is given a clearer role in rulemaking and appeals of Inspector decisions and limited oversight over the State Mine Inspector.

BM-LB/nt