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FISCAL IMPACT REPORT

SPONSOR Cisneros ORIGINAL DATE 2/10/2007
LAST UPDATED _____ HB _____
SHORT TITLE State Mine Inspector SB 771
ANALYST McOlash

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$210.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 819/ HB 682.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Energy, Minerals and Natural Resources Department (EMNRD)

SUMMARY

Synopsis of Bill

Senate Bill 771 appropriates \$210,000 from the General Fund to the New Mexico Tech Regents for expenditure in FY 2008 to comply with new requirements for emergency response for a mining accident.

FISCAL IMPLICATIONS

The appropriation of \$210,000 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY 2008 shall revert to the General Fund.

SIGNIFICANT ISSUES

In 2006, the Legislature passed and the Governor signed legislation that gave the State Mine Inspector (SMI) additional duties. These duties included establishing a mine accident emergency operations center for mine operators to call in mine accidents within 30 minutes of their

occurrence. The SMI is then required to proceed to any accident with a fatality or with a need for a rescue and assist with the rescue and conduct an investigation.

The new 2006 law also included provisions for the State Mine Inspector to adopt rules requiring each mine operator to prepare an emergency notification plan, and to require underground mines to install communications devices and oxygen supplies to assist in an emergency or rescue operation. The new legislation did not provide funds to defray the costs of implementation.

The SMI has established the mine accident emergency operations center and is implementing the other requirements by using its limited existing funding. SB 771 would greatly assist the SMI in implementing all the necessary changes required by this new law and continuing to improve the effectiveness of the emergency response center.

The Energy, Minerals and Natural Resources Department categorizes the appropriation as non-recurring. The compliance activities, however, suggest an on-going effort – continuing to improve the effectiveness of the emergency response center.

The Higher Education Department (HED) has not indicated if this project was submitted for review. It is not part of the HED recommendations for FY 2008.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB 819/HB 682 redefine the duties of the State Mine Inspector and the Mining and Safety Board.

ALTERNATIVES

The Legislature may want to focus the expenditure by limiting the appropriation to the mine safety bureau at New Mexico Tech.

On page 1, line 18, after “expenditure,” insert “by the bureau of mine safety.”

BM/mt