

LFC Requester:

Simon

AGENCY BILL ANALYSIS  
2024 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

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{Analysis must be uploaded as a PDF}

**SECTION I: GENERAL INFORMATION**

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original  Amendment   
Correction  Substitute

Date Jan. 21, 2024

Bill No: SB 120

Sponsor: Soules  
Short Unleaded Aviation Fuel Grant  
Title: Program

Agency Name and Code  
Number: NMED-667  
Person Writing John Rhoderick  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

| Appropriation |         | Recurring or Nonrecurring | Fund Affected |
|---------------|---------|---------------------------|---------------|
| FY24          | FY25    |                           |               |
|               | 5,000.0 | Nonrecurring              | GF            |

(Parenthesis ( ) Indicate Expenditure Decreases)

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Synopsis: SB120 creates the Unleaded Aviation Fuel Grant Program, creates a fund, and appropriates \$5,000,000 to the Department of Transportation to be administered by the Aviation Department. The program shall award competitive grants of up to \$200,000 to applicants for the sole purpose of installing unleaded aviation fuel dispensing systems at an airport.

**FISCAL IMPLICATIONS**

SB120 provides for installation of new systems only and has no provision for site investigation and remediation, if needed. Activity associated with potential cleanups would be handled through existing NMED programs. Costs to be determined on a site-by-site basis if remediation is required.

**SIGNIFICANT ISSUES**

SB120 provides a mechanism to positively impact public health near airports by reducing airborne lead contamination associated with leaded fuels.

Fuel systems and associated components such as tanks, lines, dispensers, leak detection are under the jurisdiction and registered with NMED's Petroleum Storage Tank Bureau (PSTB), including demolition and removal of existing systems as well as installation of new equipment. NMED, through PSTB, engages in remediation activities and may involve other bureaus depending on depth of contamination, if any.

## **PERFORMANCE IMPLICATIONS**

None

## **ADMINISTRATIVE IMPLICATIONS**

None

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

The Unleaded Aviation Fuel Grant program creates an important tool to address one of the largest sources of lead pollution in the country. There are existing pollution prevention programs administered through NMED, including the EPA's Clean Water State Revolving Loan Fund (CWSRF), that may be eligible to supplement and expand the impact of the Unleaded Aviation Fuel Grant Program.

## **TECHNICAL ISSUES**

None

## **OTHER SUBSTANTIVE ISSUES**

The Department of Transportation Aviation Division should consult with NMED PSTB on all proposed projects to ensure that existing regulatory requirements are met. Grant recipients replacing, repairing or modifying aviation fuel systems must notify the NMED prior to installation of a new system in accordance with 20.5.106 NMAC and 20.5.107 NMAC. Contamination discovered during installation activities must be reported to PSTB in accordance with 20.5.102 NMAC and the requirements in 20.5.118 NMAC.

## **ALTERNATIVES**

None

## **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

Airports not currently offering unleaded aviation fuel to customers will continue their existing practices. The U.S. Environmental Protection Agency found that the use of leaded aviation fuel in piston engine aircraft causes lead air pollution that can endanger public health (<https://www.epa.gov/regulations-emissions-vehicles-and-engines/regulations-lead-emissions-aircraft>). The health impacts associated with continued use of leaded fuel for aviation are difficult

to quantify but are likely to be substantial.

## **AMENDMENTS**

None