

LFC Requester:	None
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AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov
(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}

Date Prepared: 1/25/26 *Check all that apply:*
Bill Number: SB 66 Original Correction
 Amendment Substitute

Sponsor:	<u>Sens. Jeff Steinborn & Shannon D. Pinto</u>	Agency Name and Code Number:	<u>539 – State Land Office</u>
Short Title:	<u>ABANDONED URANIUM MINE CLEANUP</u>	Person Writing	<u>Sunalei Stewart</u>
		Phone:	<u>827-5755</u> Email <u>sstewart@nmslo.gov</u>

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27 -FY29		
None	\$50 million	Nonrecurring	General Fund

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
No fiscal impact	No fiscal impact	No fiscal impact		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	No Fiscal Impact	Indeterminate	Indeterminate	Unknown	Recurring	Land Maintenance Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

This bill would appropriate \$50 million from the General Fund to the Department of Environment (NMED) for expenditure in FY2027 through FY2029 to assess and clean up abandoned or neglected contaminated sites, including abandoned uranium mining sites, that do not have viable responsible parties to fund and conduct cleanup actions.

FISCAL IMPLICATIONS

While the appropriation in the bill would not directly apply to the State Land Office, to the extent that the appropriated funds are used by NMED on projects on state trust lands, the legislation could result in an undetermined amount of savings with respect to the reduction in legacy cleanup costs related to abandoned uranium sites on state trust lands.

The State Land Office presently assigns two staff to participate in the weekly meetings, technical evaluation, and project management tasks for the four abandoned uranium sites currently undergoing site assessments for remediation. The State Land Office estimates 0.5 FTE is currently used to participate in these projects. If passed, the State Land Office estimates one additional FTE may be necessary to support these important efforts (however, it is unclear how many of the sites would include state trust lands). This is due to the additional abandoned sites that will be evaluated for cleanup with the additional funding under SB 66 and the technical resources required to conduct those reviews.

SIGNIFICANT ISSUES

The bill does not specifically define “abandoned or neglected contaminated sites.” The State Land Office assumes the sponsor’s intention is to provide funding for certain sites under NMED’s regulatory purview, such as former uranium mining and milling sites. The State Land Office strongly supports efforts to increase resources necessary to address legacy uranium mining sites.

The bill does not define “viable responsible parties.” However, the bill’s intent seems to be to ensure that the appropriated monies are a funding source of last resort – that is, that NMED should take legal action against any remaining responsible private parties to recover cleanup costs so that state taxpayers are not forced indemnify mining companies for their irresponsible behavior. For example, with regard to the State Land Office Restoration and Remediation Fund, the agency must attempt to recover the costs of remediation projects from any person who may otherwise bear liability for that remediation project under the Voluntary Remediation Act, the New Mexico Mining Act, the Surface Mining Act, the Oil and Gas Act, the Water Quality Act, the Solid Waste Act or the Hazardous Waste Act. See NMSA 1978 § 19-1-11(D).

The State Land Office strongly supports efforts to clean up legacy contamination that is threatening New Mexico’s residents, wildlife, water, and other natural resources. The bill’s efforts are

harmonious with the State Land Office's own recent initiatives focusing on the environmental and health impacts related to oil and gas operations and other extractive industries, such as the creation of a new Environmental Compliance Office and the Oil and Gas Accountability and Enforcement Program, which has resulted in the plugging of nearly 800 inactive oil and gas wells at the expense of responsible private parties rather than taxpayers, and the cleanup of legacy spills on state land that had been ignored for many years.

In addition to the positive impact the bill would make for New Mexicans generally, the State Land Office – and by extension, the public schools and other trust beneficiaries – would benefit from cleanup of legacy contamination sites on state trust lands where there are no responsible parties. The bill would not address, however, the significant sites where there are responsible parties and the highest levels of contamination. For example, the Section 2 and 36 Mines in the Ambrosia Lake subdistrict which are located on state trust lands, will likely take decades and hundreds of millions of dollars to address.

One of the primary challenges of cleaning the abandoned uranium sites is finding a location to put the material. There is not a location nearby that can process the material in the state. The closest accepting landfills for uranium materials are over 600 miles away from certain sites requiring remediation. The best guidance has been to return the material back into the mines, but not all mines have void space that the material can be returned to its natural geology. The material would be returned back to the mine and capped with rock, soil, and vegetation to prevent stormwater infiltration and further potential spread of material.

Some of the sites are remote, requiring multiple landowners to allow access and some sites are so remote that removing the material from the site could pose a larger spread of the contaminated material. The NMSLO has been a willing partner, granting access and assisting with connecting NMED to our grazing lessees, since they are typically the adjacent private land owners.

Commissioner Garcia Richard has directed that no new uranium mining occur on state trust lands, as historical sites have never been adequately dealt with to protect public health and safety or to remedy the environmental consequences that linger today. As such, the State Land Office will not issue new leases for uranium mining.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

The State Land Office has been working with NMED to identify, investigate and project plan for four initial abandoned uranium sites. These sites were identified to have no responsible party prior to the Mining Act that regulates and permits mining. These sites have been abandoned in place with no action and pose a potential environmental threat to the State of New Mexico. The State Land Office did not authorize these mining activities. NMED has been using the four sites on land owned by the State Land office as pilot or trial sites, since the State Land Office is a willing partner to work towards the clean-up of not just the sites on State Lands, but desire to look to see how

these types of sites may be remediated and reclaimed throughout the state. The Federal government pushed for uranium extraction from the 1940s through the early 70s but has made minimal effort to clean up abandoned uranium mines located anywhere off of federal lands, thus the state has been left with these sites as a result. No sites on private or state lands have been cleaned up, and there is not a guidance on how this can be accomplished, so the State Land Office has been working with NMED on how to resolve these issues and create a guidance. Once we have several sites cleaned up, we can then know the extent of the challenges and know how the rest of the sites can be remediated.

Due to the complex nature of cleaning up these sites, a timescale of multiple fiscal years to expend the funds is necessary. Procurement for one project can take up to six months with the preparation of a comprehensive request for proposal (RFP), advertising the RFP and reviewing submissions, selecting a qualified contractor, and getting a contract and purchase order in place. Then the first step of conducting a thorough characterization of a site to determine the specific requirements for remediation and reclamation can take another 4 – 6 months. Once viable alternatives are identified and defined, coordination between multiple jurisdictions and landowners is required to obtain all necessary approvals to proceed and ensure compliance with all relevant regulations. This may result in the passage of an entire year passing before any work may begin.

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS