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FISCAL IMPACT REPORT

	ORIGINAL DATE 1-19-06		
SPONSOR	Lundstrom	LAST UPDATED	1/23/06
	NORTHWEST NM ENVIRONMENTAL JUSTICE	HB	32
SHORT TITLE	PROGRAM	SB	
		ANALYST	Hadwiger

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$75.0	Non-Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Department of Environment (NMDE)
 Department of Health (DOH)
 Energy, Minerals and Natural Resources Department (EMNRD)

SUMMARY

Synopsis of Bill

House Bill 32 appropriates \$75 thousand from the general fund to the Local Government Division of the Department of Finance and Administration for a demonstration program in San Juan, McKinley, and Cibola counties design to help communities understand and reduce risks due to toxics from all sources. The bill directs this program to encourage communities to form collaborative partnerships, develop a comprehensive understanding of all sources of risk from toxics, set priorities and identify projects to reduce risks through collaborative action at the local level. The program would match state funds with federal funds.

FISCAL IMPLICATIONS

The appropriation of \$75 thousand contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY07 would revert to the general fund.

SIGNIFICANT ISSUES

The Department of Health (DOH) noted that, in the last two years, 29 out of 37 county and tribal health councils in New Mexico have identified and prioritized their environmental health concerns. If enacted, HB 32 would develop a model for community collaboration and action on environmental health concerns in New Mexico and provide resources for sustainable, community-based partnerships aimed at improving local environments, reducing environmental health risks to communities, and improving health status. DOH further noted that HB 32 directs the program funded to seek matching federal grant funds but does not identify the possible source of the federal funds.

According to EMNRD, the environmental justice movement seeks to empower local low-income and minority communities that may be disproportionately impacted by industrial development. San Juan, McKinley and Cibola Counties contain both a high percentage of low income and minority populations and significant industrial developments including large power plants, mines and oil and gas facilities. Significant expansions of these industries are also contemplated for this area. This program has the potential to increase informed community involvement in the decisions concerning future development.

EMNRD also noted that DFA will need to determine whether to administer the proposed demonstration program itself or work through local governments (e.g., county governments) to establish the program.

ADMINISTRATIVE IMPLICATIONS

EMNRD solicits public comments on proposed developments within the agency’s jurisdiction (e.g., oil and gas, mining). This program may allow for increased public involvement in these permitting processes.

DH/mt