HOUSE ENERGY, ENVIRONMENT AND NATURAL RESOURCES COMMITTEE SUBSTITUTE FOR HOUSE RULES AND ORDER OF BUSINESS COMMITTEE SUBSTITUTE FOR HOUSE BILL 319

53RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2018

Pursuant to House Rule 24-1, this document incorporates amendments that have been adopted prior to consideration of this measure by the House. It is a tool to show the amendments in context and is not to be used for the purpose of amendments.

AN ACT

RELATING TO THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE; PROVIDING FOR REMEDIATION OF THE CARLSBAD BRINE WELL; AMENDING THE POWERS AND DUTIES OF THE CARLSBAD BRINE WELL REMEDIATION AUTHORITY; ADMINISTRATIVELY ATTACHING THAT AUTHORITY TO THE ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT; HENRC→AUTHORIZING THE USE OF EMINENT DOMAIN;←HENRC PROVIDING FOR AN EARLIER DELAYED REPEAL DATE; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO: .210593.2

SECTION 1. Section 75-11-1 NMSA 1978 (being Laws 2017, Chapter 11, Section 1 and Laws 2017, Chapter 118, Section 1) is amended to read:

"75-11-1. CARLSBAD BRINE WELL REMEDIATION [ADVISORY] AUTHORITY--CREATED--MEMBERSHIP--[ADMINISTRATION OF THE CARLSBAD BRINE WELL REMEDIATION] POWERS AND DUTIES.--

A. The "Carlsbad brine well remediation [advisory] authority" is created [The authority is a governmental entity of the state] and is administratively attached to the energy, minerals and natural resources department.

<u>B.</u> The membership of the board of directors of the authority shall consist of the following eight members:

(1) the [mayor of the city of Carlsbad or the mayor's] secretary of energy, minerals and natural resources or the secretary's designee, who shall serve as chair of the board;

(2) the chair of the Eddy county board of county commissioners or the chair's designee;

(3) the [secretary of energy, minerals and natural resources or the secretary's] mayor of the city of <u>Carlsbad or the mayor's</u> designee;

(4) the secretary of environment or the secretary's designee;

(5) the secretary of transportation or the secretary's designee;

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(6) the manager of the Carlsbad irrigation
district or the manager's designee;

(7) the state engineer or the state engineer's designee; and

(8) the attorney general or the attorney general's designee.

[B.] C. The [advisory] authority [(1)] shall [recommend policy for and advise the oil conservation division of the energy, minerals and natural resources department on the] set policy and regulate, supervise and administer the remediation of the Carlsbad brine well [located at: Unit Letter M (SW/4 of the SW/4) in Section 17, Township 22 South, Range 27 East, NMPM; Eddy County, New Mexico; and (2) is granted all powers necessary and appropriate to provide advice to the division for a revenue source dedicated to the Carlsbad brine well remediation fund].

D. The authority may:

(1) promulgate rules to carry out the provisions of this section;

(2) make and execute all contracts and other instruments;

(3) contract with the municipality or county in fulfillment of its duties; HENRC→and←HENRC

(4) acquire, maintain or contract for property HENRC→; and .←HENRC

HENRC→(5) exercise the power of eminent domain over lands adjacent to the Carlsbad brine well as provided by law for the condemnation of private property for public use with

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just compensation.←HENRC

E. On or before November 15 of each year, the authority shall report to the radioactive and hazardous materials interim committee and the legislative finance committee on the status of the remediation of the Carlsbad brine well and expenditures from the Carlsbad brine well remediation fund.

[G.] <u>F.</u> Nothing in this section shall be construed as a waiver or alteration of the immunity from liability granted pursuant to the Tort Claims Act or as a waiver of any other immunity or privilege under law.

G. For the purposes of this section:

(1) "authority" means the Carlsbad brine well remediation authority; and

(2) "Carlsbad brine well" means the brine well located at SW/4 of the SW/4 in Section 17, Township 22 South, Range 27 East, NMPM; Eddy County, New Mexico."

SECTION 2. Section 75-11-2 NMSA 1978 (being Laws 2017, Chapter 11, Section 2 and Laws 2017, Chapter 118, Section 2) is amended to read:

"75-11-2. CARLSBAD BRINE WELL REMEDIATION FUND--CREATED--PURPOSE--CONDITIONS.--

A. [There is created] The "Carlsbad brine well remediation fund" <u>is created in the state treasury</u>. The energy, minerals and natural resources department shall

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administer the fund. The fund shall be used by the [oil conservation division of the energy, minerals and natural resources department] <u>Carlsbad brine well remediation authority</u> to the extent that revenues are available to remediate the Carlsbad brine well <u>or to acquire property adjacent to the</u> <u>Carlsbad brine well as required for its remediation</u>.

B. Money in the fund may consist of federal grants, appropriations, donations, earnings from investment of the fund and other revenue that from time to time may accrue to the fund from other sources for remediation of the Carlsbad brine well.

C. Money in the fund shall be subject to appropriation by the legislature and shall not revert at the end of any fiscal year.

D. Money in the fund shall be disbursed on warrants signed by the secretary of finance and administration pursuant to vouchers signed by the secretary of energy, minerals and natural resources or the secretary's authorized representative."

SECTION 3. Section 75-11-3 NMSA 1978 (being Laws 2017, Chapter 11, Section 3 and Laws 2017, Chapter 118, Section 3) is amended to read:

"75-11-3. TERMINATION OF AGENCY LIFE--DELAYED REPEAL.--The Carlsbad brine well remediation [advisory] authority is terminated on July 1, [2029] 2025 pursuant to the Sunset Act. The [advisory] authority shall continue to operate according to the provisions of [this act] Sections 75-11-1 and 75-11-2 NMSA 1978 until July 1, [2030] 2026. Effective July 1, [2030] 2026, [this act is] Sections 75-11-1 and 75-11-2 NMSA 1978 are

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repealed."

SECTION 4. EMERGENCY.--It is necessary for the public peace, health and safety that this act take effect immediately.

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