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FISCAL IMPACT REPORT

SPONSOR <u>Lujan/Ferrary/Brown/Murphy</u>	LAST UPDATED _____
	ORIGINAL DATE <u>3/20/2025</u>
	BILL <u>House Memorial</u>
SHORT TITLE <u>Study Nuclear Energy Commission</u>	NUMBER <u>63</u>
	ANALYST <u>Davidson</u>

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
EMNRD	No fiscal impact	No fiscal impact	No fiscal impact	No fiscal impact	Nonrecurring	General Fund

Parentheses () indicate expenditure decreases.
 *Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Because of the short timeframe between the introduction of this bill and its first hearing, LFC has yet to receive analysis from state, education, or judicial agencies. This analysis could be updated if that analysis is received.

SUMMARY

Synopsis of House Memorial 63

House Memorial 63 requests the Energy, Minerals and Natural Resources Department (EMNRD) to study the feasibility of creating a Nuclear Energy Commission, which would oversee and support the development of a nuclear energy industry in the state. The memorial requests EMNRD look into the feasibility of repurposing the sites of decommissioned coal plants and nuclear power plants, the safety of different approaches to creating nuclear energy, potential industrial uses of carbon dioxide and storage of it, and policies to enhance energy efficiency in the state.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

FISCAL IMPLICATIONS

This analysis assumes EMNRD could complete the feasibility study contained in the memorial with existing resources.

SIGNIFICANT ISSUES

With the federal Infrastructure Investment and Jobs Act (IIJA), the Creating Helpful Incentives to Produce Semiconductors and Science Act (CHIPS), and the Inflation Reduction Act (IRA), annual federal spending on climate and clean energy over the next decade will reach \$750 billion, over 3.5 times the level from 2009 to 2017. Funding in the federal bills targets a multitude of clean energy technologies, including hydrogen development, carbon capture utilization and storage, battery technologies, industrial decarbonization, technology transfer programs at national laboratories, rural electrification and energy savings programs, and methane reduction programs. If the state were to begin the transition to nuclear energy, portions of these federal funds could potentially be utilized.

An analysis from the federal Department of Energy (DOE) notes nuclear energy has the potential to be a significant source of clean power, with certain plants having the ability to generate 775 billion kilowatt hours of electricity a year. The U.S. Energy Information Administration estimates the average household uses 877 kilowatt hours per month. DOE also notes a key obstacle for the creation of nuclear energy is the complexity of the storage of nuclear waste and the creation of nuclear power plants. Additionally, staffing the plants with qualified personnel could prove challenging. DOE also notes operation of nuclear plants can be cost prohibitive.

AD/hj/SL2