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FISCAL IMPACT REPORT



SPONSOR: Smith DATE TYPED: 02/11/02 HB _____

SHORT TITLE: Study NM Mining Act SB SM30

ANALYST: Trujillo

APPROPRIATION

| Appropriation Contained | | Estimated Additional Impact | | Recurring or Non-Rec | Fund Affected |
|-------------------------|------|-----------------------------|------|----------------------|---------------|
| FY02 | FY03 | FY02 | FY03 | | |
| | NFI | | | NFI | NFI |
| | | | | | |

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

Senate Memorial 30 directs the legislative council to:

- Appoint an appropriate interim committee to study and evaluate the performance of the New Mexico Mining Act (NMMA) in achieving its purpose;
- To evaluate the role of the cooperating agencies responsible for implementing the requirements of the NMMA;
- The Energy, Minerals and Natural Resources Department (EMNRD) and the Department of Environment (DOE) be requested to assist the appropriate interim committee in carrying out this study and evaluation; and
- Provide copies of the memorial to the co-chairs of the Legislative Council, the secretary of EMNRD, the secretary of DOE, the mining commission and the governor.

Significant Issues

The tenth anniversary of the NMMA will occur in 2003.

The NMMA identifies:

- As its purpose the promotion of responsible utilization and reclamation of lands affected by exploration, mining or the extractions of minerals;
- The NMMA created the mining commission and requires the commission to adopt and file reasonable regulations necessary to implement the provisions of the act;
- The Mining commission shall consider the economic and environmental effects of the implementation of its regulation;
- Annual reports prepared by EMNRD and other information indicates a decline in the production of minerals by mines subject to regulation under the NMMMA and a decline in new exploration for those minerals;
- Numerous state agencies, including the mining and minerals division of EMNRD, DOE, the Department of Game and Fish and the Office of the State Engineer are all responsible for implementing the requirements of the NMMA consistent with their respective regulatory requirements; and
- Completed permits for the four largest hard-rock mining operations in New Mexico Remain pending.

ADMINISTRATIVE IMPLICATIONS

There may be slight administrative implications to EMNRD, DOE, Department of Game and Fish and the Office of the State Engineer when providing information to the appropriate interim committee.

CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP

Relates to SJM 45,
Relates to SB 386aSCONC

LAT/njw