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FISCAL IMPACT REPORT

ORIGINAL DATE 2-1-06

SPONSOR Heaton LAST UPDATED _____ HB 687

SHORT TITLE Mine Accident Emergency Responses SB _____

ANALYST Woods

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB628

SOURCES OF INFORMATION

LFC Files

Responses Received From

Energy, Minerals and Natural Resources Department (EMNRD)
Office of the Attorney General (OAG)

SUMMARY

Synopsis of Bill

House Bill 687, Relating to Mines; Amending and Enacting Sections of the NMSA 1978; Providing for Emergency Response to Mine Accidents; Providing Penalties; Declaring an Emergency, seeks the following:

- To amend the State Inspector of Mines Act, NMSA 1978, §§ 69-5-1 et seq., by requiring the State Mine Inspector (“SMI”) to (1) adopt rules requiring each mine operator to prepare an emergency notification plan for its operations, and (2) establish and maintain the mine accident emergency operations center as the primary state government communications center for dealing with mine accidents.
- To require mine operators to notify the mine accident emergency operations center within 30 minutes of ascertaining the occurrence of an accident in or about a mine or machinery connected to a mine. It authorizes the SMI to impose a civil penalty of up to \$100,000 on the mine operator if it is determined that the operator failed to give immediate notice as required in this section.

- To amend the Mining Safety Act, NMSA 1978, §§ 69-8-1 et seq., by imposing new underground mine safety requirements, in addition to those already required by federal law, on mine operators/employers. These new requirements include (a) self-contained self-rescue device approved by the SMI to be worn by or kept within immediate reach of each person while underground, (b) additional self-contained self-rescue devices shall be kept throughout the mine in accordance with a plan approved by the SMI, (c) a wireless communication device or two-way radio system approved by the SMI shall be available to each person in the active working section of an underground mine, (d) a wireless tracking device approved by the SMI to be worn by each person in an underground coal mine, and (e) making it a fourth degree felony punishable in accordance with certain provisions of the criminal code for any person to remove or attempt to remove any device or equipment required by this section from a mine or mine site.
- To make it unlawful for an employer to discharge or in any way discriminate against an employee, representative of an employee, or applicant for employment in a mine subject to the Mining Safety Act because the employee, representative of an employee, or applicant for employment has filed or made a complaint under or related to the Mining Safety Act.

This legislation carries emergency language.

SIGNIFICANT ISSUES

The Energy, Minerals and Natural Resources Department (EMNRD) notes that the present mine safety requirements on both the federal and state level are inadequate to protect employees from injury and loss of life. Currently, four underground mines operate in New Mexico; Molycorp's underground mine near Questa, San Juan Coal Company's mine near Farmington, and two pot-ash mines near Carlsbad. Under Section 4.D. of the Act, wireless tracking devices are only required for persons working in underground coals mines.

The Office of the Attorney General suggests that the legislation proposes reasonable safety precautions for mine operations that seem to reflect careful planning.

PERFORMANCE IMPLICATIONS

EMNRD indicates that the Bureau of Mine Safety and the State Mine Inspector will administer this law. Further, that this legislation will help clarify the role of the State Mine Inspector.

BW/nt