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FISCAL IMPACT REPORT

ORIGINAL DATE 01/26/09
LAST UPDATED 02/23/09 **HJM** 6/aHENRC

SPONSOR Lundstrom

SHORT TITLE Create Uranium Mining Task Force **SB** _____

ANALYST Burns

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$0.1	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to
 SJM 9 Uranium Worker Health & Safety Data
 HB 84 Uranium Legacy Cleanup Act
 SB 188 Study Uranium Mining Effects on Grants Aquifer

SOURCES OF INFORMATION

LFC Files

Responses Received From

Indian Affairs Department (IAD)
 Department of Health (DOH)
 Higher Education Department (HED)
 Energy Minerals and Natural Resources Department (EMNRD)

No Response Received From

New Mexico Environment Department (NMED)

SUMMARY

Synopsis of HENRC Amendment

The House Energy and Natural Resources amendment would on page 4, line 18, after the second comma, insert “the Pueblo of Acoma, the Pueblo of Laguna, the Pueblo of Zuni,”; and on page 4, line 19, after “industry,”, insert “land grant community, Navajo Allottee, economic development”.

The amendment would add to the number of members to be appointed to the task force. As the bill does not carry an appropriation the amendment could further burden the entities whom are included as members of the task force. The amendment would change the already large 11 member task force to a 17 member task force.

Synopsis of Original Bill

House Joint Memorial 6 requests the creation of a uranium mining task force.

FISCAL IMPLICATIONS

There is no appropriation contained in this bill, but the entities involved in carrying out the functions of the task could incur administrative costs and also costs due to the allocating of resources to the task force.

SIGNIFICANT ISSUES

HJM 6 would request the Governor to create a Task Force, administratively supported by the Energy, Minerals and Natural Resources Department (“EMNRD”), to prepare a report for the Governor and the appropriate interim legislative committee by October 1, 2009. Such report would provide information and recommendations relating to the feasibility of resuming uranium mining activities in the State; potential adverse impacts of proposed mining sites; and assessing the adequacy of existing state uranium mining statutes and regulations to protect the State’s natural and cultural resources.

PERFORMANCE IMPLICATIONS

HJM6 would increase the administrative responsibilities within Mining and Minerals Division and other agencies, without funding, and take Mining and Minerals Division personnel away from performing other statutorily and administratively mandated duties.

ADMINISTRATIVE

HJM 6 resolves that the Governor designate the Mining and Minerals Division of EMNRD to provide administrative support to the Task Force.

HJM6 would require the Mining and Minerals Division of the Energy, Minerals and Natural Resources Department to provide administrative support to the Task Force. MMD would be required to organize the Task Force, arrange meetings, conduct research, and draft a report. Currently, MMD does not receive any funding to support this activity.

HJM 6 resolves for the Task Force to prepare a report for the Governor and the appropriate interim legislative committee by October 1, 2009. Such report would provide information and recommendations relating to the prospects of resuming uranium mining activities in the State, including locations and extent of activities; potential adverse impacts of proposed mining sites; and assessing the adequacy of existing state uranium mining statutes and regulations to protect the State’s natural and cultural resources from adverse effects from resumption of uranium mining and milling in New Mexico.

Lastly, HJM resolves that a copy of the Memorial itself be transmitted to the Governor, the Secretaries of ENMRD, DOE, and IAD, the State Geologist, and the State Historic Preservation Officer.

TECHNICAL ISSUES

HJM6 provides for a representative of the Navajo Nation on the Task Force; however, a number of Indian tribes have concerns related to uranium mining.

RELATIONSHIP

SJM 9 Uranium Worker Health & Safety Data. SJM 9 would encourage the U.S. Congress to enact amendments to the Federal Radiation Exposure Compensation Act to extend eligibility to uranium workers after January 1, 1972 and direct federal agencies to conduct a formal and comprehensive study of health and safety data among post-1971 uranium workers.

HB 84 Uranium Legacy Cleanup Act. HB 84 would enact the Uranium Legacy Cleanup Act. The Act would create a non-reverting Uranium Legacy Cleanup Fund from which appropriations shall be made by the legislature to the Energy, Minerals and Natural Resources Department. Appropriations would be administered by the Department for the purpose of eliminating or reducing the actual or potential exposure of persons to contamination that may have resulted from uranium mining or milling activities that occurred prior to July 1, 2009. The effective date of the Act would be January 1, 2010.

SB188 would appropriate \$650,000 from the General Fund to the Board of Regents of New Mexico Institute of Mining and Technology for the New Mexico Bureau of Geology and Mineral Resources to conduct a comprehensive study to characterize aquifers within the San Mateo basin affected by past uranium mining and milling activities in the Grants mineral belt in New Mexico.

OTHER SUBSTANTIVE ISSUES

HJM 6 would provide a mechanism for evaluation of potential adverse impacts of the resumption of uranium mining and milling activities on New Mexico’s natural and cultural resources and on the health of New Mexico’s communities.

HJM 6 findings include: the Grants mineral belt, situated in northwestern New Mexico, remains one of the world’s richest repositories of uranium; the mining operations in the belt were located on private, state, federal and tribal lands; un-remediated contamination from past mining operations continues to pose a threat to the health and well-being of residents in northwestern New Mexico and to ground water and soils; increases in world uranium prices have prompted 20 applications in the last three years for exploratory drilling related to uranium mining; the Federal Nuclear Regulatory Agency is processing applications for *in situ* leach mining facilities to be located near Church Rock and Crownpoint, NM located on the Navajo Nation Indian Reservation; and the Interim Indian Affairs Committee agreed unanimously to form a subcommittee to review existing State statutes and regulations relating to environmental protections in light of modern (*in situ*) mining techniques, and to advise on continuing efforts to clean up abandoned uranium mine (AUM) sites in New Mexico.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The consequence of not enacting this House Joint Memorial is that the Governor and the Legislature will not have the benefit of the Task Force to receive recommendations to determine whether and how future uranium mining and milling will take place in New Mexico within the multijurisdictional lands of the Grants uranium belt.