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FISCAL IMPACT REPORT

SPONSOR <u>Steinborn/Pinto/Charley/Shendo Jr./López</u>	LAST UPDATED _____ ORIGINAL DATE <u>2/7/2025</u>
SHORT TITLE <u>Cleanup of Contaminated Sites</u>	BILL NUMBER <u>Senate Bill 260</u>
ANALYST <u>Davidson</u>	

APPROPRIATION* (dollars in thousands)

FY25	FY26	Recurring or Nonrecurring	Fund Affected
	\$50,000	Nonrecurring	General Fund

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

Relates to an appropriation in the General Appropriation Act

Sources of Information

LFC Files

Agency Analysis Received From
 New Mexico Environment Department (NMED)

SUMMARY

Synopsis of Senate Bill 260

Senate Bill 260 (SB260) appropriates \$50 million from the general fund to New Mexico Environment Department (NMED) for the purpose of assessing and cleaning up abandoned or neglected contaminated sites, including abandoned uranium mining sites.

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

The appropriation of \$50 million contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY28 shall revert to the general fund.

Analysis from NMED estimates the agency will use 97 percent of the fund for assessing and cleaning up contaminated sites and then 3 percent to hire personnel to facilitate. NMED analysis pointed to one site with contaminated soil and groundwater which has estimated cleanup costs around \$5 million. The agency also plans to begin cleanup of an abandoned uranium mine with the funds from Senate Bill 260, and estimates this work to cost between \$4 million and \$8 million.

Overall, NMED estimates each individual mine remediation to run between \$4 million and \$12 million depending on site features, whether groundwater contamination is present, and method of remediation.

SIGNIFICANT ISSUES

NMED analysis notes the state has over 350 contaminated sites, each with varying degrees of potential impact to human and environmental health. The agency estimates that approximately \$300 million total will be necessary to address all the contaminated sites.

Additionally, agency analysis indicates that contaminated sites and abandoned uranium mines are present on the land of sovereign nations. NMED notes that, “The proper mechanisms to allow expenditure of funding and implementation of the work through cooperative agreements will need to be developed.”

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Senate Bill 260 relates to a \$50 million nonrecurring appropriation in the executive budget recommendation to support work on neglected and contaminated sites covered by HB2.

AD/hj/SR