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Mining Act Forfeiture Fund passes House with bipartisan support

Santa Fe, NM – Today the Mining Act Forfeiture Fund, an Energy, Minerals and Natural Resources Department (EMNRD) priority bill, passed the New Mexico House of Representatives with a 67 – 0 vote. The bill, sponsored by Representative Nathan Small, explicitly gives the state authorization to create a fund to receive and manage financial assurance to pay for long-term reclamation in the rare case that a mine operator defaults.

“Mine reclamation is an important part of our mission to safeguard the environment and bring lands impacted by mining back to beneficial use,” said EMNRD Secretary Sarah Cottrell Propst. “Getting this bill another step closer to becoming law will ensure that we have the tools and funds to properly remediate mine sites in the unlikely event that an operator permanently goes out of business.”

“I’m proud to sponsor this common-sense bill that will provide another tool for protecting New Mexico’s environment,” said Representative Small. “The Mining Act Forfeiture Fund ensures New Mexicans are protected even in rare and catastrophic events, without incurring additional cost to taxpayers.”

The Mining Act Forfeiture Fund would ensure that, in the event a mine operator is unable or unwilling to complete necessary reclamation, the financial assurance already in place would be easily available to EMNRD’s Mining and Minerals Division after it was forfeited. The existing language in the Mining Act does not explicitly authorize the state to establish a “Fund” to accept forfeited financial assurance if a forfeiture occurs. Without this authority, reclamation could be delayed indefinitely, causing environmental damage. This bill creates that authority, and in addition, allows for it to be placed in an interest-bearing account, and protects the funds from being allocated for any other use besides mine reclamation at the mine that forfeits the financial assurance.

Next, the bill will be assigned to a Senate committee, updates can be found on the <https://www.nmlegis.gov/> website.

An overview of the legislation can be found [here](#).

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The Energy, Minerals and Natural Resources Department provides resource protection and renewable energy resource development services to the public and other state agencies.

<http://www.emnrd.state.nm.us>