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Mining Act Forfeiture Fund passes Senate with bipartisan support

The bill now goes to the governor for signature

Santa Fe, NM – Last night, House Bill 157 the Mining Act Forfeiture Fund, an Energy, Minerals and Natural Resources Department (EMNRD) priority bill, passed the New Mexico Senate unanimously. The bill, sponsored by Representative Nathan Small and sponsored on the Senate Floor by Senator Siah Correa Hemphill, 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. Having already passed the House of Representatives, the bill now goes to Governor Lujan Grisham for her signature.

“The Mining Act Forfeiture Fund bill protects New Mexico’s environment in the unlikely event a mine operator defaults or is unable to fully reclaim an area impacted by mining,” said EMNRD Secretary Sarah Cottrell Propst. “I applaud the legislature for taking action today to ensure reclamation is completed for the benefit of future generations.”

“Throughout this process this bill has enjoyed unanimous support, highlighting the importance of safeguarding our environment,” said Representative Small. “I want to thank my colleagues and my co-sponsor for their work supporting this bill. The Mining Act Forfeiture Fund will protect New Mexicans at no additional cost to taxpayers for years to come.”

“My district has a long history of mining activity so I was proud to support the Mining Act Forfeiture Fund to help ensure long-term reclamation can be completed in case an operator defaults,” said Senator Correa Hemphill. “I look forward to seeing the governor sign this bill into law.”

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.

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