New Mexico Environment Department

Fiscal Year 2023 Budget Presentation
House Appropriations & Finance Committee
January 14, 2022
How we protect public health and the environment:

- Air Quality Protection
- Hazardous/Solid Waste Regulation
- Water Quality Protection
- OSHA Program
- Sampling & Remediation
- Food Manufacturing Regulation
- Cannabis Hemp Regulation
- Liquid Waste (Septic) Regulation
- Public Pool/Spa Regulation
- Petroleum Storage Tank Regulation
- Water Infrastructure Programs
- Radiation Equipment Regulation
### Our Values

#### Science
Using the best available science to inform our decision-making in protecting public health and the environment.

#### Innovation
Employing creative engineering and technological solutions to address environmental problems.

#### Collaboration
Engaging communities and interested stakeholders in environmental decision-making.

#### Compliance
Ensuring meaningful compliance with state regulations and permits.

### Perspective

<table>
<thead>
<tr>
<th>Perspective</th>
<th>FY22 Budget</th>
<th>FY23 Exec Rec</th>
<th>FY23 LFC Rec</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;1% FY23 State Executive Budget</td>
<td>100 Grants</td>
<td>$16M General Fund</td>
<td>$23.8M General Fund</td>
<td>$23.8M General Fund</td>
</tr>
<tr>
<td>$91M Other Funds</td>
<td>$86.9M Other Funds</td>
<td>$95.7M Other Funds</td>
<td>$8.8M Other Funds</td>
<td></td>
</tr>
</tbody>
</table>

### Reversions

<table>
<thead>
<tr>
<th>Reversions</th>
<th>Staffing Data</th>
<th>Vacancy Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>$4.9M YTD FY22 Civil Penalties</td>
<td>531 People</td>
<td>23.6%</td>
</tr>
<tr>
<td>651 Funded FTE</td>
<td>697 Authorized FTE</td>
<td>74 Positions in Active Recruitment (Advertised, Interviews, Reference Checks, etc.)</td>
</tr>
</tbody>
</table>

### Staffing Data

- **531** People
- **697** Authorized FTE
- **74** Positions in Active Recruitment

### Vacancy Data

\[
Variance Rate = \frac{\text{Authorized FTE} - \text{People}}{\text{Authorized FTE}} \times 100\%
\]
**Executive Budget Recommendation**

**New Mexico Environment Department**

### Resource Management (P-567)
- **+$559,200**  
  + 0 FTEs  
  Replace lower indirect cost revenues and support filling vacancies/retaining staff.

### Water Protection (P-568)
- **+$2,379,500**  
  + 9 FTEs  
  Increase resilient water infrastructure; focus on emerging contaminants; improve drinking water system sampling.

### Resource Protection (P-569)
- **+$185,000**  
  + 2 FTEs  
  Increase solid & infectious waste oversight and increase compliance inspections.

### Environmental Protection (P-570)
- **+$2,520,000**  
  + 15 FTEs  
  Create Climate Change Bureau to focus on implementing the Hydrogen Hub Act; Clean Fuel Standard Act; Clean Cars rules; Net Zero; and federal funding.

### Environmental Health (P-570)
- **+$2,325,000**  
  + 19 FTEs  
  Ensure the safety of the edibles and topicals cannabis industry.
**Legislative Finance Committee Budget Recommendation**

**Resource Management (P-567)**

- **Executive:** + $559,200 + 0 FTEs
- **LFC:** + $200,000 + 0 FTEs

**Water Protection (P-568)**

- **Executive:** + $2,379,500 + 9 FTEs
- **LFC:** + $240,000 + 0 FTEs

**Resource Protection (P-569)**

- **Executive:** + $185,000 + 2 FTEs
- **LFC:** + $140,500 + 0 FTEs

**Environmental Protection (P-570)**

- **Executive:** + $2,520,000 + 15 FTEs
- **LFC:** + $400,000 + 7 FTEs

**Environmental Health (P-570)**

- **Executive:** + $2,325,000 + 19 FTEs
- **LFC:** + $239,000 + 6 FTEs

**Key Point:** The LFC Budget Recommendation provides NMED with increased transfer authority from restricted special revenue/federal funds but such funding is not an allowable use for the above program areas.

**Example:** In P-570, the LFC is recommending transfer authority of $478,000. However, the request for cannabis staffing is not allowable under any of our restricted special revenue/federal funds.
## Fiscal Year 23 Priorities and Focus

<table>
<thead>
<tr>
<th>Special Appropriations</th>
<th>Executive Rec.</th>
<th>LFC Rec.</th>
<th>Percent Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop a surface water discharge permitting program; Modernize the computer-based examinations for water utility operators.</td>
<td>$1,185,000</td>
<td>$250,000</td>
<td>-79%</td>
</tr>
<tr>
<td>Continue to develop and implement PFAS protections to prevent exposure to New Mexicans.</td>
<td>$1,320,000</td>
<td>$525,000</td>
<td>-60%</td>
</tr>
<tr>
<td>Address ozone pollution transported into New Mexico from other regions of the U.S.</td>
<td>$920,000</td>
<td>$450,000</td>
<td>-51%</td>
</tr>
<tr>
<td>Cost share for clean up of the Pecos mine and El Molino operable units.</td>
<td>$150,000</td>
<td>$150,000</td>
<td>0%</td>
</tr>
<tr>
<td>To provide compensation to New Mexicans per the Energy Employees Occupational Illness Compensation Act; to implement radioactive material licensing requirements.</td>
<td>$620,000</td>
<td>$300,000</td>
<td>-52%</td>
</tr>
</tbody>
</table>
Environment Department Recommendation:

✔ Adopt the Executive Budget Recommendation.

✔ In the alternative, table the Legislative Finance Committee recommendation.