



# New Mexico Environment Department

## Mission and Values

Our mission is to protect and restore the environment and to foster a healthy and prosperous New Mexico for present and future generations.

### 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.

## Secretary Kenney's Message to State Legislators

With the support of the Governor and the Legislature, I am proud to lead the New Mexico Environment Department. I am honored to continue working with our legislators, on behalf of New Mexicans, to protect the environment and public health of our communities.

NMED has one of the most complex budgets in state government – over 125 restricted funds spanning five divisions, 16 bureaus, and four offices. Over 80% of NMED's funding sources are for non-discretionary duties related to core functions like permitting and compliance. These statutory obligations must be performed regardless of funding and staffing levels.

Despite small gains by the legislature to fund specific programs on a recurring or one-time basis with general fund, NMED continues to fall behind from unfunded compensation packages. Our duties have expanded without requisite funding to fairly compensate our employees who are asked to do more with less day after day. In short, NMED's workload is unsustainable.

For Fiscal Year 2025, I am laser focused on our employees and our office space. A \$9.1M base budget increase will direct \$6.2M to our employees to appropriately place their salaries commensurate with their education and experience within their profession. In addition, I am seeking \$2.9M to pay for office space. This budget request is essential to stem risks to the state from employee grievances, litigation, and adverse judgements. In addition, the funding will keep offices staffed and opened so we can meet the moment in aligning public and private investment with our climate, air, water, waste, and other goals while equally protecting all communities.

I look forward to working with you on our mission and budget and in service to your constituents.

Sincerely,

James C. Kenney  
Cabinet Secretary  
New Mexico Environment Department

## NMED's FY24 Funding Level



From FY11 to FY24, New Mexico's recurring general fund appropriations increased **83.6% or \$4.3 billion.**



NMED's funding has not kept pace as a percent of the state budget, falling behind by about **\$3.1 million** as of FY24.

Learn more about our Agency's performance on our website:



## General Fund Base Budget Request (Recurring Funding)

### \$9.1 million base budget increase as follows:

- **\$6.2 million (200s category, all P-Codes)**
  - To appropriately pay our employees commensurate with their education and experience. This will improve morale, stem the loss of specialized talent, and reduce risk to the state from grievances that could result in judgements/settlements.
- **\$2.9 million (400s category, leases)**
  - To pay for 27 leased spaces, including re-opening a Deming location that closed in FY24 due to a lack of funding. Currently, every dollar spent on office leases today is at the expense to the businesses, the public, or own staff.

## Special Appropriations (Non-Recurring Funding)

### \$3.6 million in special appropriations as follows:

- **\$1 million to continue to improve our business operations.**
  - In Fiscal Year 2024, we hired a contractor to invest in our team, modernize operations, and streamline processes. These efforts include assessing organizational effectiveness and operations through employee interviews and document reviews, developing workflow and operational recommendations, and finalizing operational governance frameworks, policies, procedures, and trainings.
- **\$1 million to continue to address emerging contaminants, including PFAS and illicit drugs.**
  - New Mexico is a national leader in efforts to address PFAS contamination, testing ground and surface water supplies in collaboration with the U.S. Geological Society and filing a lawsuit against the federal government for contamination at Cannon and Holloman Air Force Bases. We continue to test public drinking water sources across the state to determine if PFAS is impacting communities and freshwater resources. NMED is also leading wastewater testing efforts at public schools to identify levels of illicit drugs in our communities.
- **\$1 million to continue our emphasis on compliance and enforcement.**
  - In FY23, NMED launched both the Environmental Crimes Task Force and Enforcement Watch, stepping up efforts to prevent contamination and resulting long-term clean-up of ground water and soils, ensure workplace safety to reduce occupational fatalities, and address violations of air quality standards.
  - To date in FY24, NMED has collected and transferred nearly \$3 million in fines and penalties to the general fund, nearly tripling the total from FY23 in one third of the fiscal year.
- **\$600,000 to continue to develop a surface water discharge permitting program.**
  - New Mexico is one of three states that does not issue such permits and relies on the federal government to do so. This will provide greater certainty to business and protections to New Mexico's surface and groundwaters.

## General Fund Budget Increases: Gross vs. Net

- **Gross Increase:**

NMED’s budget increased by \$11.6 million from FY19 through FY24.

- **Net Increase:**

NMED’s general fund budget increased \$5.5 million from FY19 through FY24.

- **Here’s why:**

Since 2019, the legislature did not fund nearly \$6.2 million in employee raises for NMED employees.

- **How did NMED make up \$6.2 million in unfunded employee raises?**

Reducing business and public services, eliminating positions, eliminating staff travel and training, closing offices, etc.

A	B	C	D	E	F	G	H	I
State Fiscal Year	Base General Fund	Gross General Fund Increases (Cumulative)	State Employee Raises per Legislature	Cost of Employee Raises	Legislature Funded Portion of Employee Raises	Unfunded Portion of Employee Raises (E minus F)	Unfunded Portion of Employee Raises (Cumulative)	Net General Fund Increase (Cumulative) (C minus H)
2019	\$11,272,500	\$100,000	2%	\$750,000	\$142,700	\$607,300	\$607,300	\$707,300
2020	\$11,970,200	\$597,700	4%	\$1,581,800	\$310,800	\$1,271,000	\$1,878,300	\$1,280,600
2021	\$14,071,300	\$2,698,800	1%	\$31,900	\$6,200	\$25,700	\$1,904,000	\$794,800
2022	\$15,396,200	\$4,023,700	1.5%	\$748,200	\$111,500	\$636,700	\$2,540,700	\$1,483,000
2023	\$18,572,400	\$7,199,900	7%	\$4,188,700	\$917,100	\$3,271,600	\$5,812,300	\$1,387,600
2024	\$23,009,200	\$11,636,700	6%	\$2,718,545	\$2,379,316	\$339,229	\$6,151,529	\$5,485,171



# Local 7076

Date: 9/6/2023

Grievance #: NMED\_CWA\_20230905\_Appropriate Placement

Agency: New Mexico Environment Department (NMED)

Immediate Supervisor: James Kenney, NMED Secretary

Human Resources/Labor Relations Contact: Leslie Munoz

Union Representative: Linsey Hurst, CWA NMED Agency VP- Union Steward

Address: CWA Local 7076, 460 Saint Michael's Drive, Suite 1008, Santa Fe, NM 87505

Email Address: [Linsey.Hurst@cwa7076.org](mailto:Linsey.Hurst@cwa7076.org)

Phone #: 505-470-4007(union cell)

Name of Grievant(s): All NMED Bargaining Unit Employees Not Appropriately Placed

Job Title of Grievant: All NMED positions covered in the collective bargaining agreement and the memorandum of understanding to include Water Resource Professionals.

Worksite/Location: NMED all locations

**Nature of Grievance:**

On August 8, 2023, Communications Workers of America Local 7076 (CWA) received appropriate placement calculations for all NMED employees via a document request submitted to the State Personnel Office (SPO). Based on NMED’s calculations as provided to the SPO, over 90% of our bargaining unit employees are not appropriately placed within applicable pay bands and many have pay rates that are not internally aligned, as required by Section 11 of Article 25 of the Collective Bargaining Agreement (CBA), as executed on July 29, 2021. CWA identified multiple hiring actions completed since July 29, 2021, in which NMED hired new employees with appropriately placed salaries without adjusting current employees’ salaries for appropriate placement and internal alignment.

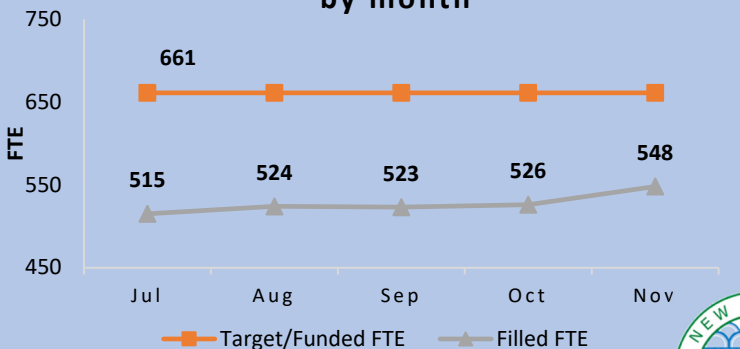
### Union Grievance

- Prior to submitting our FY2025 budget request, NMED calculated the cost of appropriate placement per employee across the agency.
- On September 1, 2023, NMED submitted its FY2025 budget request to the Department of Finance and Administration.
- On September 6, 2023, Communication Workers of America (CWA) Local 7076 filed a grievance alleging pay discrimination, stating over 90% of bargaining unit employees are not appropriately placed (both pay bands and pay rates).

## Workload Snapshot

- ✓ There are 6,804 regulated facilities per inspector in our OSHA Bureau. If the employees inspected one facility per day, it would take this team **29 years** to visit each site.
- ✓ The Air Quality Bureau had 16 filled permitting and enforcement staff spending about **10% of their time** on compliance inspections. With this staffing level and distribution of work, it would take **9.6 years** for the team to visit all permittees. This does not include the vast majority of smaller air-emitting sources, including the majority of oil and gas operations.
- ✓ The Ground Water Quality Bureau's Pollution Prevention Section has eight filled permitting and enforcement staff spending about 10% of their time on compliance inspections. With this staffing level and distribution of work, it would take **more than two years** for the team to visit all permittees.
- ✓ The Drinking Water Bureau recently created a second position focused on providing infrastructure funding support to the **1,068 public systems** in New Mexico. Unfortunately, both positions are now vacant after a longtime employee advanced within NMED to a higher-paying position.
- ✓ Over one million acres of freshwater wetlands in New Mexico are overseen by three FTEs or **333,333 acres per person**. This work is even more critical following the U.S. Supreme Court's recent ruling that dramatically limits the authority to protect wetlands under the federal Clean Water Act.
- ✓ The OSHA Bureau's has four staff to serve 68,041 employers, or **17,010 employers per person**, which limits the program's opportunity to help employers prevent fatalities, amputations, or injuries resulting from occupational hazards.
- ✓ The Surface Water Quality Bureau's monitoring team oversees 6,698 miles of perennial (present year-round) streams, 190,225 miles of non-perennial streams, and 85,369 acres of publicly owned lakes, with only two filled positions responsible for developing water quality standards and four filled positions collecting all water quality data.
- ✓ Each of the Construction Programs Bureau Technical Section's four staff manages **149 water infrastructure projects per person**.

**NMED Filled FTE & Vacancy Rate, by month**



### NMED FY23 Reversions

- **Operating Budget General Fund:**  
\$93,620 or 0.5% of NMED recurring general fund
- **Special Appropriations:**  
\$586,988
- **Capital Outlay:**  
\$503,350

