
Summary

1. Full appropriate placement will cost **\$8,383,501** annually as follows:

P567 – Resource Management Division	+\$1,169,566
P568 – Water Protection Division	+\$2,384,547
P569 – Resource Protection Division	+\$1,086,262
P570 – Environmental Protection Division	+\$1,617,815
P571 – Environmental Health Division	+\$2,125,309

2. Executive request for appropriate placement is **\$6,091,400** in recurring general fund as follows:

P567 – Resource Management Division	+\$1,357,600
P568 – Water Protection Division	+\$1,585,800
P569 – Resource Protection Division	+\$740,000
P570 – Environmental Protection Division	+\$595,500
P571 – Environmental Health Division	+\$1,920,800

3. The difference between full appropriate placement (\$8,383,501) and the Executive request (\$6,091,400) is **\$2,183,502**.

4. The **\$2,183,502** is the amount of funding NMED can sustainably spend from existing federal grants and permit funds without diminishing any services.

P569 – Resource Protection Division	+\$447,939
Petroleum Storage Tank Bureau	
Corrective Action Fund 99000	
P569 – Resource Protection Division	+\$406,531
Hazardous Waste Bureau	
Hazardous Waste Fund 33900	
Hazardous Waste Emergency Fund 95700	
P569 – Resource Protection Division	+\$45,637
DOE Oversight Bureau	
Federal Grant	
P570 – Environmental Protection Division	+\$1,214,956
Air Quality Bureau	
Air Quality Title V Fund 09200	
Air Quality Permit Fund 63100	

Note: Per federal and state law, only the personnel who work on these programs may be appropriately placed with these funds. Regardless of the federal grant or permit fund balance, NMED cannot appropriately place other employees with these funds.

5. The **\$6,091,400** is the appropriate placement funding NMED cannot sustainably spend from existing federal grants and permit funds without diminishing services in FY25 or illegal use of grant/permit fund balances.
6. The next three tables document that the cost of appropriate placement (Table A) is not achievable because of insufficient special revenue fund balances (Table B) or the special revenue fund balance is restricted per federal or state law (Table C).

Table A: Cost of Appropriate Placement

P567 – Resource Management Division	
Office of the Secretary	\$34,275
Office of Information Technology	\$663,802
Administrative Services Division	\$114,363
Office of General Counsel	\$357,127
P568 – Water Protection Division	
Director’s Office	\$10,671
Groundwater Quality Bureau	\$578,820
Surface Water Quality Bureau	\$577,321
Drinking Water Quality Bureau	\$1,008,121
Construction Programs Bureau	\$209,613
P569 – Resource Protection Division	
Director’s Office	\$4,418
Solid Waste Bureau	\$181,735
P570 – Environmental Protection Division	
Director’s Office	\$86,548
Radiation Control Bureau	\$220,401
Climate Change Bureau	\$95,909
P571 – Environmental Health Division	
Director’s Office	\$34,238
Cannabis and Hemp Bureau	\$52,434
OSHA Bureau	\$446,515
Environmental Health Bureau	\$1,592,123

Table B: Insufficient Special Revenue Fund Balances (Red)

Special Revenue Fund	FY25 Revenues - Expenses*
Brownfield Cleanup Revolving Loan Fund (11900)	\$802,500
Clean Water Administrative Fund (32700)	\$4,185,800
Environment Health Fund (68130)	(\$1,854,200)
Public Water Supply System (Utility Operator) Fund (58400)	(\$10,000)
Radiation Protection (59200)	\$1,484,700
Radiologic Technology (98700)	\$0
Responsible Parties Prepayment (24800)	(\$29,400)
Rural Infra Rev Loan fund (33700)	(\$407,900)
Solid Waste Permit Fund (78300)	(\$17,100)
Tire Recycling Fund (02600)	(\$237,500)
Underground Storage Tank (98900)	(\$20,400)
Voluntary Remediation Fund (06600)	(\$32,700)
Wastewater Facility Construction Loan Fund (12100)	\$7,851,400
Water Conservation Fund (56700)	(\$125,000)
Water Quality Management fund (34100)	(\$339,700)
Solid Waste Facilities Grant Fund (63200)	\$1,000
Liquid Waste Disposal Fund IDF (68440)	\$0

* Expenses do not include the cost of appropriate placement per Table A.

Table C: Special Revenue Fund Restrictions

Division	Bureau	Fund	Fund Description	Appropriate Placement Funding Analysis
P568 - Water Protection Division	Construction Programs Bureau	32700	Clean Water Administrative Fund	Funds may be used for salaries. However, increased spending on salaries is not permitted under federal and state law per federal capitalization grant requirements.
P568 - Water Protection Division	Construction Programs Bureau	33700	Rural Infrastructure Revolving Loan Fund	Funds may be used for salaries. Per statute, no more than 2% of the fund balance may be used for administrative costs, which is insufficient for appropriate placement.
P568 - Water Protection Division	Construction Programs Bureau	12100	Wastewater Facility Construction Loan Fund	Increased spending on appropriate placement is not permitted under federal and state law per federal capitalization grant requirements.
P568 - Water Protection Division	Drinking Water Bureau	58400	Public Water Supply System (Utility Operator) Fund	Funds may be used for salaries. Insufficient fund balances to sustain appropriate placement. Governor vetoed a bill to raise fees in 2021.
P568 - Water Protection Division	Drinking Water Bureau	56700	Water Conservation Fund	Increased spending for appropriate placement will result in decreased services to 1,068 public drinking water systems. Drinking water systems pay into the fund and the money is used to test their water for compliance with the federal Safe Drinking Water Act.
P568 - Water Protection Division	Ground Water Quality Bureau	11900	Brownfield Cleanup Revolving Loan Fund	Funds may not be used for salaries.
P568 - Water Protection Division	Ground Water Quality Bureau	24800	Responsible Party Prepayment	Funds may be used for salaries. Insufficient fund balances to sustain appropriate placement.
P568 - Water Protection Division	Ground Water Quality Bureau	06600	Voluntary Remediation Fund	Funds may be used for salaries. Insufficient fund balances to sustain appropriate placement.
P568 - Water Protection Division	Ground Water Quality Bureau	34100	Water Quality Management Fund	Funds may be used for salaries. Insufficient fund balances to sustain appropriate placement.

P569 - Resource Protection Division	Petroleum Storage Tank Bureau	98900	Underground Storage Tank Fund	Funds may be used for salaries. Insufficient fund balances to sustain appropriate placement.
P569 - Resource Protection Division	Solid Waste Bureau	63200	Solid Waste Facilities/Grant Fund	Funds may be used for salaries. Insufficient fund balances to sustain appropriate placement.
P569 - Resource Protection Division	Solid Waste Bureau	78300	Solid Waste Permit Fund	Funds may be used for salaries. Insufficient fund balances to sustain appropriate placement. Legislative proposal to increase fees passed the House and failed in the Senate in 2021.
P569 - Resource Protection Division	Solid Waste Bureau	02600	Tire Recycling/RAID Fund	Funds may be used for salaries. Insufficient fund balances to sustain appropriate placement.
P570 - Environmental Protection Division	Radiation Control Bureau	10980	Nuclear Worker Assistance Fund	Funds may be used for salaries. However, federal funds deposited into this fund are insufficient for appropriate placement.
P570 - Environmental Protection Division	Radiation Control Bureau	59200	Radiation Protection Fund	Funds may be used for salaries but not all Radiation Control Bureau staff can bill to this fund.
P570 - Environmental Protection Division	Radiation Control Bureau	98700	Radiological Technology Fund	Funds may be used for salaries. Insufficient fund balances to sustain appropriate placement.
P571 - Environmental Health Division	Environmental Health Bureau	68130	Environmental Health Fund	Funds may be used for salaries. Insufficient fund balances to sustain increased spending for appropriate placement. This fund consists of the following: a) Cannabis and Hemp fees. b) Food fees - Fee increases are legislatively restricted. Senate rejected NMED's proposal in 2020 to raise fees. c) Septic fees. d) Pool and spa fees - Fee is set in legislation and insufficient.