

ACTION PLAN

Submitted by agency?	Yes
Timeline assigned?	Yes
Responsibility assigned?	Yes

Negative trends from the first quarter in the Environmental and Resource Protection Bureaus of the Environment Department (NMED) continued into the second. Additionally, the performance measure tracking if the state's population is being served safe and health drinking water plummeted from 91 percent in the first quarter to 57.8 percent in the second. While the department notes this is due predominantly to a backlog of violations it is sorting through, it nonetheless is a data point to be closely monitored. The significant investment by the Legislature to address NMED's staffing and retention issues has reversed some of the agency's lingering issues, but the agency has an estimated 230 vacant FTE and up to \$5.4 million in vacancy savings, indicating the agency has significant room to grow and utilize expanded funding. Additional collaboration between the legislature, agency, and stakeholders should be considered to address some of the agency's consistently lagging performance measures.

Water Protection

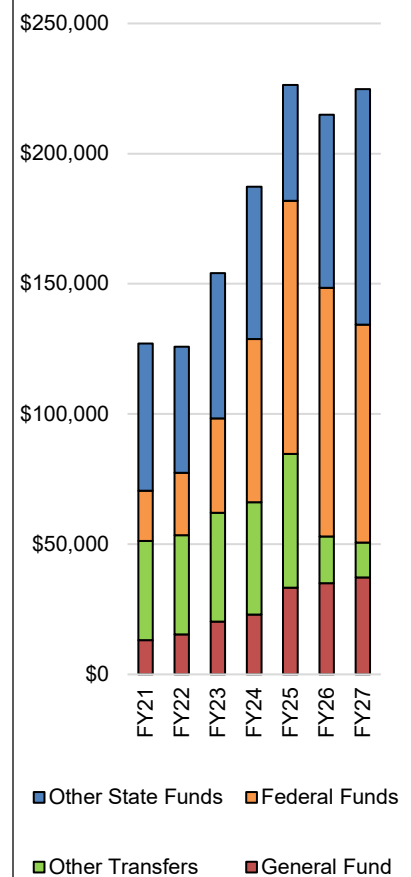
Amendments to the state Water Quality Act enacted in 2025 granted primacy to NMED to administer a National Pollutant Discharge Elimination System program, in effect placing control of all discharge into the state's surface water and groundwater from the federal government to the state's water quality agency. Creation and implementation is underway and will continue to take shape, pending approval of a permitting program from the Water Quality Control Commission. The Water Protection Division (WPD) continues to assist communities seeking to develop internal capacity to use state and federal funding for infrastructure improvement and water resource management.

In the second quarter of FY26, the program's Surface Water Protection Bureau inspected seven of the 20 annual required inspections, resulting in a 35 percent inspection rate, indicating the program is well on its way to meeting its FY26 target. The Groundwater Quality Bureau inspected 39 permits, or roughly 5.7 percent of its FY26 target. The Construction Program's Bureau initiated 107 new water infrastructure projects, totaling roughly \$117.8 million, and is on pace to exceed its FY26 target. The percentage of the state's population served safe and healthy drinking water dropped to 57.8 percent for the second quarter of the year. This significant decrease reflects the bureau's efforts to churn through a backlog of water protection violations. The department notes, while the percentage of the population being served safe and healthy drinking water has decreased significantly, the decline should be viewed as a data correction rather than a precipitous deterioration of the state's water quality. While working through backlogs is a sign of program growth, if the performance measure does not stabilize in the fiscal year, it would be a very worrying trend.

Budget: \$62,511.4 **FTE:** 191.3

	FY24 Actual	FY25 Actual	FY26 Target	FY26 Q1	FY26 Q2	Rating
Percent of the population served safe and healthy drinking water	89.5%	94.7%	98%	91%	57.8%	R
Percent of surface water permittees inspected	100%	40%	100%	50%	35%	G

NMED Appropriations by Funding Source
(in thousands)



Source: LFC files

Budget: \$62,511.4 FTE: 191.3

	FY24 Actual	FY25 Actual	FY26 Target	FY26 Q1	FY26 Q2	Rating
Percent of groundwater permittees inspected	30.6%	9.2%	65%	6.7%	5.7%	R
Number of new water infrastructure projects	175	148	115	39	107	G
Program Rating	G	Y				Y

Resource Protection

At the halfway point of the fiscal year, the Resource Protection Division (RPD) has continued to be far behind its target for all three of its performance measures.

RPD historically has issues with recruitment and retention, specifically its Solid and Hazardous Waste bureaus, resulting in failing grades on performance measures.

In the second quarter of FY25 the Petroleum Storage Tank Bureau (PSTB) issued no further action (NFA) status for nine sites. NFA status signifies compliance with remediation standards, assuring no significant risk of harm to public health or the environment at the site. Notably, NFA status determinations are fluid throughout the year, based on specific site conditions, staffing levels,

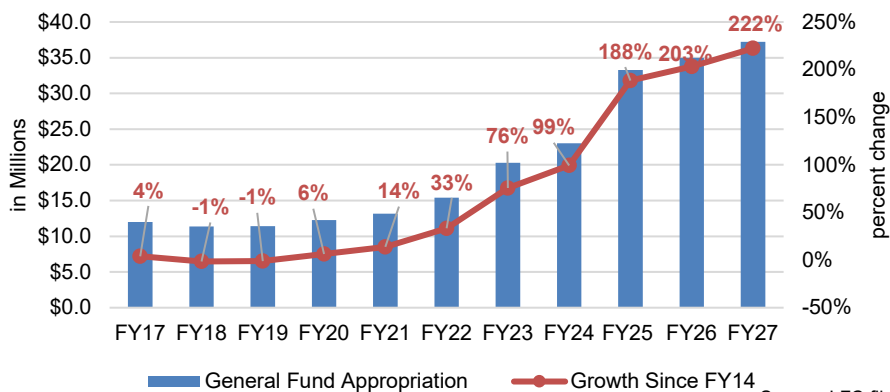
and the availability of funding from the corrective action fund. PSTB noted \$3.5 million of proposed work is pending approval.

The Hazardous Waste Bureau (HWB) monitors 2,495 hazardous waste generators in the state, though this number changes frequently. HWB has four positions focused on compliance, and the positions are each slated to inspect 350 facilities in FY26. This is two fewer personnel than in FY24. The relatively few personnel inspecting facilities resulted in the bureau only inspecting 1.3 percent of the hazardous waste sites in the state in the second quarter of FY26, well off track to meet its FY26 target. The continued trend of low inspection rates, while it has been predominantly due to a lack of staff, should be evaluated in comparison to other states to see if New Mexico can utilize new practices to monitor its hazardous waste facilities.

Budget: \$18,653.4 FTE: 143.3

	FY24 Actual	FY25 Actual	FY26 Target	FY26 Q1	FY26 Q2	Rating
Number of completed cleanups of petroleum storage tank release sites that require no further action	2,041	972	2,050	9	0	R
Percent of solid waste facilities and infectious waste management facilities inspected	98.8%	34.8%	95%	13%	22.2%	R
Percent of hazardous waste facilities inspected	3.7%	.5%	12.5%	1.1%	1.3%	R
Program Rating	R	R				R

**NMED General Fund Appropriations
10-Year History**



Source: LFC files

Environmental Protection

While inspections are valuable for determining whether regulated entities comply with applicable laws, rules, or permits, NMED's regulatory compliance programs continually struggle to meet targets for the percentage of applicable entities inspected. NMED hopes these consistent issues will be improved with the help of record investments from the Legislature in the current fiscal year, and efforts by the agency to streamline its organizational structure.

The Air Quality Bureau (AQB) noted in the second quarter of FY26, 100 percent of the state's population is breathing air meeting federal health standards, though this is without Bernalillo County, due to it monitoring its own air quality and is separate from the reporting AQB does. The bureau also notes the state's overall air quality can be affected by out-of-state contributors. The state has 20 air monitoring stations, with the majority surrounding Las Cruces and others scattered around the state. The bureau is on track to meet its performance target for inspection of ionizing and non-ionizing radiation sources (x-ray machines and x-ray producing machines), inspecting a total of 11.6 of the 20 percent FY26 target.

Budget: \$18,320.1 **FTE:** 121.8

	FY24 Actual	FY25 Actual	FY26 Target	FY26 Q1	FY26 Q2	Rating
Percent of ionizing and non-ionizing radiation sources inspected	16.8%	1.9%	20%	8.8%	2.8%	Y
Percent of air emitting sources inspected	32.2%	8.5%	32%	110%	40%	G
Percent of the population breathing air meeting federal health standards	99.9%	78.3%	99%	86.6%	100%	G
Program Rating	Y	Y				G

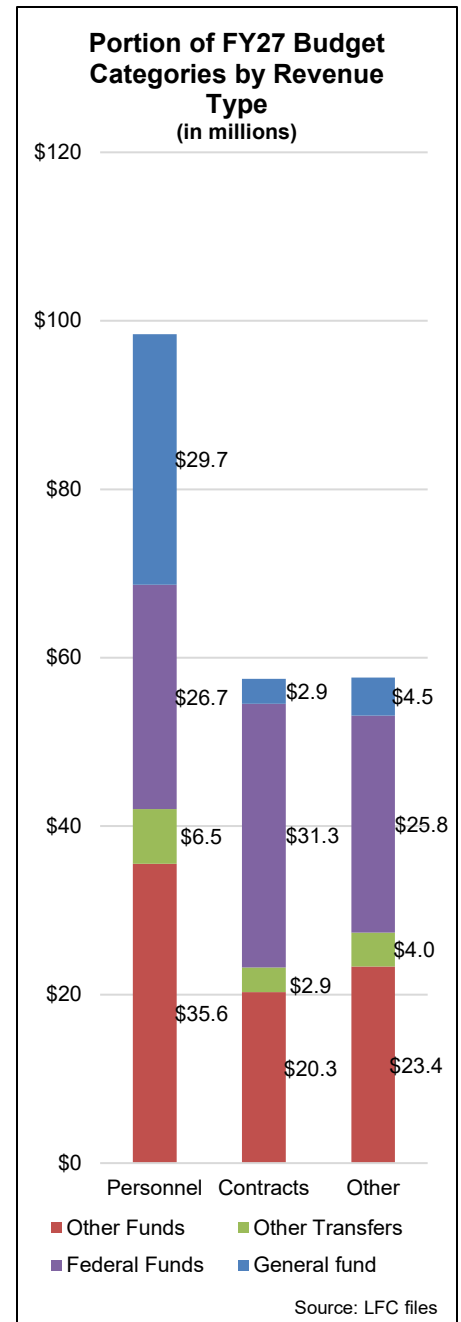
Environmental Health

The Occupational Health and Safety Bureau, within the Environmental Health Division (EHD), conducts hundreds of inspections annually and targets workplaces with the greatest expectations of noncompliance to reduce illness, injuries, and fatalities. The bureau, which inspects approximately 1 percent of all workplaces each year, found 85.2 percent of employers did not meet occupational health and safety requirement for at least one standard in the second quarter, exceeding the target by 30 percent.

Under state statute and regulation, each restaurant and food manufacturer in the state should be inspected once per year. However, the same inspectors cover restaurants, food manufacturers, pools, and spas. Bureau staff currently have a compliance and enforcement workload of approximately 313 facilities per inspector, at the high end of FDA's recommend range of 280-300 inspections per retail for inspector-a narrower role than EHB's inspects. The bureau conducted 1,328 inspections in the second quarter of the year, behind its goals of 1,950 but improved from previous years quarters.

Budget: \$16,219.3 **FTE:** 156

	FY24 actual	FY25 Actual	FY26 Target	FY26 Q1	FY26 Q2	Rating
Number of employers that did not meet occupational health and safety requirements	67.1%	60.5%	55%	73.6%	85.2%	Y



Budget: \$16,219.3 **FTE:** 156

	FY24 actual	FY25 Actual	FY26 Target	FY26 Q1	FY26 Q2	Rating
for at least one standard compared with the total number of employers						
Percent of restaurants and food manufacturers inspected	80.5%	21.3%	90%	86.7%	81.6%	Y
Percent of new or modified liquid waste systems inspected	91%	53.2%	89%	50.9%	54.4%	R
Program Rating	Y	Y				R