#### MINUTES OF THE

### NEW MEXICO MINING COMMISSION MEETING

# OCTOBER 25, 1994

The New Mexico Mining Commission meeting was convened at 9:05a.m., October 25, 1994 in Room 317 of the State Capitol Building. The following members were present:

Art Montana Vice-Chair, Public Representative Ron Curry Environment Department Hal Whitacre Public Representative Bob Langsencamp Deputy State Land Commissioner Eluid Martinez State Engineer Val Green Academic Representative Bob McCaslin Agriculture Experiment Station; Ex-Officio Jeanie Cragin Alternate H.M. Conger Alternate

#### 1. Roll Call

Frances Garcia from the Mining Act Reclamation Bureau took roll call.

# 2. Approval of the Agenda

Commissioner Hal Whitacre moved to approve the agenda. Commissioner H.M. Conger seconded the motion, and the agenda was unanimously approved by all members present.

3. Review of the Minutes of the September 30, 1994 Meeting

After review of the minutes by all Commissioners present, Commissioner Conger moved to accept the minutes, seconded by Commissioner Whitacre. Motion passed unanimously.

- 4. Comments by Secretary Anita Lockwood of the EMNRD and
- 5. Discussion and possible action on the proposed rulemaking and a possible stay of the Mining Act Rules pertaining to fees.

Documents prepared by Secretary Lockwood were given to each Commission member. The documents discussed the current fee structure, the estimated revenue needed to meet operation

requirements, the problems and potential solutions to the current fee schedule, operations requirements for MMD, and expected revenues from the current fee schedule. Ms. Lockwood said that if enough money is not generated, she may be forced to make staff reductions, which could seriously impact the program.

Considerable discussion ensued among the Commission, Secretary Lockwood and John Lingo regarding the current status of estimated collections under Rule 2, and the expected number and type of operations to be regulated. That led into a discussion on potential short falls in revenue necessary to the mining program in all agencies, and how best to deal with this problem.

Commissioner Martinez asked Secretary Lockwood if it's her opinion that it's the intent that the legislature to subsidize Mining Act funds for the operation of this program, or was it the intent of the legislature to make the program self-sufficient?

Secretary Lockwood explained that while the law requires that fees be set to handle the operations, she said she had to go to the legislature last year for start-up funding because the regulations had not been set, and the fees would be set as part of regulations.

This sparked discussion of whether the legislature can now be expected to resolve questions of supplemental General Fund support. Commissioner Martinez suggested we collect fees under current Rule 2 and then wait and see what happens during the legislative session.

Mr. Bill Brancard said that the Commission, at its last meeting, considered a scenario where the fee collection would be stayed until the Commission acted on a new fee schedule. However, no motion was made to stay the fees and the issue of a stay was placed on the agenda for this meeting.

Secretary Lockwood commented that she is very uneasy with the current fee structure, but that it is the only mechanism in place to collect any fees.

After public comment and discussion on Items #4 and #5, Commissioner Martinez made a motion that the Commission proceed to collect fees adopted Mining Act Rule 2, and that the Chair of this Commission by letter advise the Governor and the Chair of the LFC on the estimated revenues projected by the New Mexico Energy, Minerals and Natural Resources Department based on the adopted fee schedule for the 96 Fiscal Year, that the proposed budgets of the state agencies might exceed this expected revenue,

that the Commission on it's own action will schedule a public hearing during June of 1995 to consider whether to amend Rule 2 of the Mining Act pertaining to the fees and that MMD develop guidelines to help administer Rule 2.

Motion was seconded by Commissioner Cragin. Motion passed unanimously.

There being no further business, the meeting adjourned at 11:55a.m.

Chairman

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Minutes by:

Frances Garcia

Mining and Minerals Division