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Energy, Minerals and Natural Resources Department to present budget before SFC and HAFC

Executive budget supports sustainable expansion for EMNRD natural resources priorities

Santa Fe, NM – On Wednesday, January 12th at 1:30 pm, Energy, Minerals and Natural Resources Department (EMNRD) Cabinet Secretary Sarah Cottrell Propst will present to the Senate Finance Committee to discuss the department's FY23 budget. This year's Executive Budget recommendation increases EMNRD's budget by 16.4% for FY23, better positioning the agency to fulfill our mission and retain and recruit expert staff.

Since the beginning of the Lujan Grisham administration in 2019, EMNRD has implemented a natural gas waste rule requiring 98 percent gas capture in the oil and gas industry, processed more than 4,000 solar tax credits for New Mexico families and businesses, improved forest management for a changing climate, opened the new Pecos Canyon State Park, and completed award-winning mine reclamation work. The Executive recommendation would build on this success, allowing the Department to more efficiently fulfill our mission and enact even more ambitious programs that mitigate the impacts of climate change and diversify our economy.

"New Mexico is already experiencing the impacts of a changing climate, most notably through extended drought which threatens our arid state's water resources," said EMNRD Secretary Sarah Cottrell Propst. "Our agency's work protects New Mexico's environment, which is why investing in the agency now is more important than ever. The proposed Executive budget will ensure that our programs are strong and sustainable so they can benefit New Mexicans for years to come."

The Executive Budget Recommendation includes:

- A \$266,500 increase to modernize New Mexico's electric grid and coordinate a whole-of-government approach to climate action;
- \$919,100 for 11 new full-time positions in the Forestry Division, including 9 firefighter positions to assist with the year-round fire season;
- \$1.3 million for water and wastewater infrastructure upgrades at state parks, and additional funds aimed at boosting State Parks retention and recruitment;
- Additional funds to match lost revenue from declining coal production, allowing mine reclamation work to continue;
- A \$3,144,600 increase for the Oil Conservation Division which includes 8 new full-time compliance officers, 7 new full-time employees in the administrative bureau, and 10 new

- full-time employees to efficiently process permits and remediation requests, and effectively regulate the industry;
- A \$615,800 increase in the Program Support Division to fund currently vacant positions and create a new Office of Regulatory Affairs to engage on electricity regulatory proceedings that affect New Mexico. The Program Support Division is key to supporting the programmatic Divisions and the Executive Budget recognizes the need for additional resources in this area.

A fact sheet comparing the Executive Budget and Legislative Finance Committee recommendations can be found <u>here</u>.

EMNRD will also present in front of the House Appropriations and Finance Committee this week on Friday, January 14th at 1:30 pm. An updated schedule will be posted <u>here</u>.

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The Energy, Minerals and Natural Resources Department provides resource protection and renewable energy resource development services to the public and other state agencies.

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