## "The Hardrock Mining and Reclamation Act of 2009"

<u>Eliminates Patenting</u> – Eliminates the practice of patenting Federal land (<u>i.e.</u>, transferring title) while grandfathering patent applications filed and meeting all requirements by September 30, 1994.

<u>Claim Maintenance and Location Fees</u> – Increases the current annual claim maintenance fee to \$150 (up from \$125 under current law) which is paid in lieu of annual assessment work, with an exception for claim holders with 10 or fewer claims. Increases the current claim location fee to \$50 per claim (up from \$30 under current law). Provides that fees collected are to be used for the administration of hardrock mining on Federal lands. Any excess is deposited into the Hardrock Minerals Reclamation Fund. Provides for adjustment of the fees to reflect changes in the Consumer Price Index.

Royalties – Production of all locatable minerals is subject to a royalty to be determined by the Secretary by regulation of not less than 2 percent and not more than 5 percent of the value of production, not including reasonable transportation, beneficiation, and processing costs. The royalty may vary based on the particular mineral concerned. No royalty will be collected from existing mines that are producing in commercial quantities on the date of enactment. Royalty revenues will be deposited into the Hardrock Minerals Reclamation Fund. Provides for royalty reductions for all or part of a mining operation where the person conducting the mineral activities shows by clear and convincing evidence that without the reduction, production would not occur. Provides for enforcement for royalty and certain fee collections. Provides for a look-back report on the impacts of royalties and fees.

<u>Permits</u> – Permits are required for all mineral activities on Federal land except for "casual use" that ordinarily results in no or negligible disturbance. Mining permits are for a term of 30 years and so long thereafter as production occurs in commercial quantities.

<u>Land Use Fees</u> – With respect to new mines, requires the operator to pay a land use fee as determined by the Secretary by regulation equal to 4 times the claim maintenance fee imposed for each 20 acres of Federal land that is included within the mine permit area. Upon approval of the mining permit and payment of the fee, the operator may use and occupy the Federal land within the permit area, consistent with the mining permit and all applicable law.

<u>Financial Assurances</u> – The operator must provide evidence of approved financial assurances sufficient to ensure completion of reclamation if performed by the Secretary concerned.

<u>Water Reclamation</u> – Financial assurances attributable to the cost of water treatment will not be released until the discharge has ceased for at least 5 years or the operator has met all applicable water quality standards for at least 5 years. The operator may be required to establish a trust fund or other long-term funding mechanism to provide financial assurances for long-term treatment of water or other long-term post-mining maintenance or monitoring requirements.

<u>Operation and Reclamation</u> – Creates a uniform standard for operation and reclamation on both BLM and Forest Service lands by applying the "unnecessary or undue degradation" standard currently applicable to BLM land to National Forest System land. Directs the Secretaries of the Interior and Agriculture to jointly issue regulations.

Land Open to Location – Amends the Federal Land Policy and Management Act to require within 3 years that local Federal land managers review specified categories of lands for withdrawal from operation of the Mining Law, subject to valid existing rights. The categories to be reviewed are: designated wilderness study areas and National Forest System land identified as suitable for wilderness designation; areas of critical environmental concern; Federal land in which mineral activities pose a reasonable likelihood of substantial adverse impacts on National Conservation System units as defined in the bill; certain areas with potential for inclusion in the Wild and Scenic Rivers System as specified; and areas identified in the set of inventoried roadless area maps contained in the Forest Service Roadless Areas Conservation, Final Environmental Impact Statement, Volume 2, dated November 2000). Based on the review and recommendation of the local Federal land manager, areas can be removed from operation of the Mining Law, subject to valid existing rights. The Governor of a state, head of an Indian tribe, or appropriate local official may petition the Secretary to direct the local Federal land manager to undertake a review of an area to determine whether land should be withdrawn, subject to valid existing rights.

<u>Inspection and Monitoring</u> – Requires the Secretary concerned to conduct inspections at least once each quarter. All operators must develop and maintain a monitoring and evaluation system.

<u>Hardrock Minerals Reclamation Fund</u> – Provides for the payment of royalties, fees, and donations into a Hardrock Minerals Reclamation Fund to be administered by the Secretary of the Interior through the Office of Surface Mining Reclamation and Enforcement.

<u>Use of the Fund</u> – The Secretary may use amounts in the Fund without further appropriation for the reclamation of land and water (Federal, State, tribal and private) affected by past hardrock mining and related activities in 14 western states when there is no continuing reclamation responsibility of the claim holder or operator, and for hardrock reclamation grant programs nationwide as specified in the bill.

<u>Allocation of the Fund</u> – Provides for allocation of the Fund: to states and tribes based on current hardrock production and on the quantity of hardrock minerals historically produced; to agencies for expenditure on Federal land; for grants to states other than the 14 designated western states for reclamation of abandoned hardrock mine sites; for grants to public entities and nonprofit organizations for collaborative restoration projects to improve fish and wildlife habitat affected by past hardrock mining; and for program administration.

<u>Abandoned Mine Land Fee</u> – Each operator of a hardrock mineral mining operation on Federal, state, tribal or private land, shall pay to the Secretary a reclamation fee established by the

Secretary by regulation of not less than 0.3 percent, and not more than 1.0 percent, of the value of the production of the hardrock minerals mining operation for each calendar year for deposit into the Fund.

<u>Transition</u> – If a plan of operations is approved or a notice of operations is filed for mineral activities before the date of enactment, mineral activities will be subject to the approved plan of operations or the notice for 10 years after the date of enactment. All fees apply starting on the date of enactment of this Act, except that the land use fee applies only to mining permits or modifications after the date of enactment. No royalty is required on production from Federal land that is subject to an operations permit on the date of enactment of this Act and that produces valuable locatable minerals in commercial quantities on the date of enactment.

<u>Enforcement</u> – Provides for enforcement, including civil penalty authority for the Secretary.

<u>Uncommon Varieties</u> – Subject to valid existing rights, makes minerals classified as "common varieties with distinct and special value" subject to disposal under the Materials Act of 1947.

<u>Review of Uranium Development on Federal Land</u> – Provides for a National Academy of Sciences review of legal and related requirements applicable to the development of uranium on Federal lands.