

103D CONGRESS  
1ST SESSION

# H. R. 1708

Entitled "Hardrock Mining Reform Act of 1993".

---

IN THE HOUSE OF REPRESENTATIVES

APRIL 7, 1993

Mr. ORTON (for himself and Mrs. VUCANOVICH) introduced the following bill;  
which was referred to the Committee on Natural Resources

---

## A BILL

Entitled "Hardrock Mining Reform Act of 1993".

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLES.**

4 (a) IN GENERAL.—This Act may be cited as the  
5 "Hardrock Mining Reform Act of 1993".

6 (b) SURFACE RESOURCES ACT OF 1955.—The Act  
7 of July 23, 1955 (69 Stat. 367, chapter 375; 30 U.S.C.  
8 611 et seq.) is amended by adding at the end the following  
9 new section:

10 **"SEC. 8. SHORT TITLE.**

11 "This Act may be cited as the 'Surface Resources Act  
12 of 1955'."

1 (c) MATERIALS ACT OF 1947.—The Act of July 31,  
2 1947 (61 Stat. 681, chapter 406; 30 U.S.C. 601 et seq.)  
3 is amended by adding at the end the following new section:

4 **“SEC. 5. SHORT TITLE.**

5 “This Act may be cited as the ‘Materials Act of  
6 1947’.”.

7 **SEC. 2. FINDINGS AND PURPOSE.**

8 (a) FINDINGS.—Congress finds and declares that—

9 (1) a secure and reliable supply of nonfuel min-  
10 erals is essential to the industrial base of the United  
11 States, national security, and balance of trade;

12 (2) many of the deposits of nonfuel hard min-  
13 erals that may be commercially developed are on  
14 Federal public lands, and are difficult and expensive  
15 to discover and process;

16 (3) the national need for nonfuel hard minerals  
17 will continue to expand and the demand for the min-  
18 erals will exceed domestic sources of supply without  
19 a strong mining industry;

20 (4) mining of nonfuel hard minerals is an ex-  
21 tremely high-risk, capital-intensive endeavor, which,  
22 to attract necessary investment, requires certainty  
23 and predictability in access to public lands, estab-  
24 lishment of mining titles, and the rights of claimants  
25 to develop minerals;

1           (5) it is in the national interest to foster and  
2 encourage private enterprise in the development of a  
3 domestic minerals industry to maintain and create  
4 high paying jobs in the United States;

5           (6) mining activities on public lands should be  
6 consistent with applicable Federal land use plans  
7 and should be conducted in compliance with all ap-  
8 plicable Federal and State environmental regulations  
9 and standards, including standards governing mined  
10 land reclamation;

11           (7) the diversity in terrain, climate, biological,  
12 chemical, and other physical conditions, and vari-  
13 ation among the minerals mined and the methods of  
14 mining and processing, require that reclamation  
15 standards should be tailored to local and regional  
16 conditions; and

17           (8) changes in the general mining laws of the  
18 United States to provide more direct economic re-  
19 turn to the United States and greater protection for  
20 public resources are desirable, so long as the  
21 changes do not adversely affect employment in the  
22 mining industry or in industries that provide goods  
23 and services required for mining activities, interfere  
24 with a secure and reliable supply of minerals, or ad-

1       versely affect the balance of trade of the United  
2       States.

3       (b) PURPOSE.—It is the purpose of this Act to—

4             (1) provide for increased Federal revenue from  
5       the location and production of ores and nonfuel hard  
6       minerals through increased fees and royalties;

7             (2) provide for the payment of fair market  
8       value for the surface of any land patented under the  
9       general mining laws of the United States;

10            (3) ensure that all public lands affected by  
11       nonfuel minerals mining activities under the general  
12       mining laws are reclaimed, in concert with State and  
13       local reclamation authorities; and

14            (4) establish a program to help reclaim nonfuel,  
15       hardrock mineral abandoned mines.

16   **SEC. 3. DEFINITIONS.**

17       DEFINITIONS.—

18            (1)    LOCATABLE    MINERAL.—The    term  
19       “locatable mineral” means any mineral not subject  
20       to disposition under—

21                    (A) the Mineral Leasing Act (30 U.S.C.  
22                    181 et seq.);

23                    (B) the Geothermal Steam Act of 1970  
24                    (30 U.S.C. 1001 et seq.);

1 (C) the Materials Act of 1947 (30 U.S.C.  
2 601 et seq.); or

3 (D) the Mineral Leasing Act for Acquired  
4 Lands (30 U.S.C. 351 et seq.).

5 (2) MOUTH OF THE MINE.—The term “mouth  
6 of the mine” means the portal of an underground  
7 mine, the point of exit of ore from an open pit mine,  
8 or the wellhead of a solution mine.

9 (3) VALUE.—

10 (A) IN GENERAL.—The term “value”  
11 means the fair market value of the ore or solu-  
12 tions as they emerge from the mine or well, less  
13 the direct and indirect costs of mining, includ-  
14 ing related mine exploration and development  
15 expenses, determined in accordance with gen-  
16 erally accepted accounting principles.

17 (B) NO MARKET AT MOUTH OF MINE.—

18 (i) If there is no market for ore in its  
19 raw or crude state, the term “value”  
20 means the gross income (computed in ac-  
21 cordance with subparagraph (C)) from the  
22 mining of the ore or the production of the  
23 solutions, less the direct and indirect costs  
24 associated with the mining or production,

1           determined in accordance with generally  
2           accepted accounting principles.

3           (C) GROSS INCOME FROM THE MINING OF  
4           THE ORE OR THE PRODUCTION OF THE SOLU-  
5           TIONS.—Gross income from the mining of the  
6           ore or the production of the solutions shall be  
7           computed by multiplying—

8                   (i) gross sales (actual or, where there  
9                   are no sales, constructive) of the minerals  
10                  or metals contained in the ore or solutions  
11                  by a fraction whose numerator is the sum  
12                  of all direct and indirect mining costs in-  
13                  curred to bring the ore or solutions to the  
14                  mouth of the mine (excluding in-pit crush-  
15                  ing), and whose denominator is the total of  
16                  all mining and nonmining costs incurred to  
17                  produce, sell, and transport the product.

18           (4) SECRETARY.—Unless the context otherwise  
19           requires, the term “Secretary” means the Secretary  
20           of the Interior.

21 **SEC. 4. LOCATION AND MAINTENANCE REQUIREMENTS.**

22           (a) LOCATION FEE.—For each claim located after  
23           date of enactment of this Act, a claimant shall pay the  
24           Secretary a location fee of \$25 not later than 90 days after  
25           the date of location.

1 (b) ANNUAL MAINTENANCE FEE.—Commencing the  
2 first calendar year after the date of enactment of this Act,  
3 a claimant shall pay the Secretary on or before December  
4 31 of each year, a maintenance fee of \$100 per claim to  
5 maintain the claim for the following calendar year.

6 (c) INDEXING.—

7 (1) IN GENERAL.—The Secretary shall adjust  
8 the fees required by this section to reflect changes  
9 in the Consumer Price Index published by the Bu-  
10 reau of Labor Statistics of the Department of Labor  
11 every 5 years after the date of enactment of this  
12 Act, or more frequently if the Secretary determines  
13 an adjustment to be reasonable.

14 (2) NOTICE.—The Secretary shall provide  
15 claimants notice of any adjustment made under this  
16 subsection not later than July 1 of any year in  
17 which the adjustment is made.

18 (3) EFFECTIVE DATE OF ADJUSTMENT.—A fee  
19 adjustment under this subsection shall begin to  
20 apply the calendar year following the calendar year  
21 in which it is made.

22 (d) FAILURE TO PAY FEE.—Failure to timely pay  
23 the location fee or maintenance fee required by this section  
24 for a claim shall be deemed an abandonment of the claim.  
25 The claim shall be deemed null and void by operation of

1 law effective at noon on the date that is 30 days after  
2 the date upon which the payment was due.

3 (e) EXCEPTION FOR HOLDERS OF FEWER THAN 50  
4 CLAIMS.—

5 (1) ELIGIBILITY.—The claim maintenance fees  
6 required under this section shall be waived or re-  
7 duced in accordance with paragraph (3) for a claim-  
8 ant who certifies in writing the Secretary that on the  
9 date the payment was due the claimant—

10 (A) was the holder (as defined in para-  
11 graph (2)) of not more than 50 mining claims  
12 on public lands; and

13 (B) has performed assessment work suffi-  
14 cient to maintain the mining claims held by the  
15 claimant for the assessment year ending on  
16 noon of September 1 of the calendar year in  
17 which the maintenance fee payment was due.

18 (2) HOLDER.—As used in paragraph (1), the  
19 term “holder” includes—

20 (A) the claimant;

21 (B) the spouse and dependent children (as  
22 defined in section 152 of the Internal Revenue  
23 Code of 1986), of the claimant; and

24 (C) a person affiliated with the claimant,  
25 including—

1 (i) a person controlled by, controlling,  
2 or under common control with the claim-  
3 ant; and

4 (ii) a subsidiary or parent company or  
5 corporation of the claimant.

6 (3) WAIVED OR REDUCED MAINTENANCE  
7 FEES.—

8 (A) 10 OR FEWER CLAIMS.—The mainte-  
9 nance fee shall be waived in its entirety for 10  
10 or fewer claims held by a claimant eligible  
11 under paragraph (1).

12 (B) 11 OR MORE CLAIMS.—

13 (i) IN GENERAL.—Subject to clause  
14 (ii), the maintenance fee shall be reduced  
15 to \$25 per claim for each claim in excess  
16 of 10.

17 (ii) LIMITATION.—The reduction in  
18 this subparagraph shall be available for no  
19 more than 50 claims held by a claimant  
20 who is eligible under paragraph (1).

21 (g) EXISTING REQUIREMENTS.—

22 (1) PAYMENT IN LIEU OF ANNUAL LABOR RE-  
23 QUIREMENTS.—The third sentence of 2324 of the  
24 Revised Statutes (30 U.S.C. 28) is amended by in-  
25 serting after “On each claim located after the 10th

1 day of May, 1872,” the following: “that is eligible  
2 for a waiver or reduced fee under section 4(e) of the  
3 Hardrock Mining Reform Act of 1993,”.

4 (2) FEDERAL FILING REQUIREMENTS.—Section  
5 314 of the Federal Land Policy and Management  
6 Act of 1976 (43 U.S.C. 1744) is amended—

7 (A) by striking subsection (a);

8 (B) by redesignating subsections (b), (c),  
9 and (d) as subsections (a), (b), and (c), respec-  
10 tively; and

11 (C) in subsection (b) (as so redesignated)  
12 by striking “subsections (a) and (b)” and in-  
13 sserting “subsection (a)”.

14 (3) CONFORMING AMENDMENT.—Section  
15 2511(e) of the Energy Policy Act of 1992 (30  
16 U.S.C. 242(e)) is amended by striking the second  
17 sentence.

18 **SEC. 5. ROYALTY.**

19 (a) IN GENERAL.—The production and sale of  
20 locatable minerals (including associated minerals) from  
21 any mining claim located after the date of enactment of  
22 this Act shall be subject to a royalty of 2 percent of the  
23 value of the minerals measured at the mouth of the mine.

24 (b) PAYMENT OF ROYALTY.—Royalty payments shall  
25 be made not later than 45 days after the end of each cal-

1 endar quarter during which the minerals are sold. The  
2 payments shall be subject to adjustment, if required, at  
3 the end of each calendar year.

4 (c) AUDIT.—The Secretary may audit the payments  
5 under this section at any time upon notice to the claimant.

6 (d) ROYALTY DEDUCTION.—The Secretary may re-  
7 duce the royalties under this section whenever the Sec-  
8 retary determines it is necessary to promote development  
9 or whenever the claims cannot be successfully operated  
10 under the terms of this section.

11 (e) HARDROCK MINING ROYALTY REVIEW COMMIS-  
12 SION.—

13 (1) ESTABLISHMENT.—There is established the  
14 Hardrock Mining Royalty Review Commission (re-  
15 ferred to in this section as the “Commission”).

16 (2) MEMBERSHIP.—The Commission shall be  
17 comprised of 9 members appointed by the Secretary  
18 who have experience in the economics of the  
19 hardrock mining industry.

20 (3) CHAIRPERSON.—The Secretary shall des-  
21 ignate 1 member to serve as a Chairperson of the  
22 Commission.

23 (4) COMPENSATION.—Members of the Commis-  
24 sion shall serve without compensation but shall be  
25 reimbursed for travel expenses, including per diem in

1 lieu of subsistence, at rates authorized for employees  
2 of agencies under subchapter I of chapter 57 of title  
3 5, United States Code, while away from their homes  
4 or regular places of business in the performance of  
5 services for the Commission.

6 (5) DUTIES OF COMMISSION.—Not later than  
7 18 months after the date of enactment of this sec-  
8 tion, the Commission shall review the effect of the  
9 royalty provisions under this section on the domestic  
10 hardrock mining industry and present its findings  
11 and recommendations to the Secretary and to the  
12 Committee on Energy and Natural Resources of the  
13 Senate and the Committee on Natural Resources of  
14 the House of Representatives. In conducting its re-  
15 view, the Commission shall—

16 (A) consider the economic effect of dif-  
17 ferent royalty rates on the domestic hardrock  
18 mining industry, employment, local and regional  
19 economics, the balance of trade, national secu-  
20 rity, and strategic supplies;

21 (B) determine whether there are sufficient  
22 differences between various minerals or means  
23 of production to support different royalty rates  
24 for specific minerals or means of production;

1 (C) estimate the long-term effect of dif-  
2 ferent royalty rates on competition within the  
3 industry and between domestic and foreign pro-  
4 duction; and

5 (D) consider the multiplier effect of dif-  
6 ferent royalty rates.

7 (6) POWERS OF THE COMMISSION.—The Com-  
8 mission may—

9 (A) hold such hearings, sit and act at such  
10 times and places, take such testimony, and re-  
11 ceive such evidence as the Commission consid-  
12 ers advisable;

13 (B) use the United States mails in the  
14 same manner and under the same conditions as  
15 other departments and agencies of the Federal  
16 Government;

17 (C) enter into contracts or agreements for  
18 studies and surveys with public and private or-  
19 ganizations and transfer funds to Federal agen-  
20 cies to carry out such functions of the Commis-  
21 sion as the Commission determines to be nec-  
22 essary; and

23 (D) incur such necessary expenses and ex-  
24 ercise such other powers as are consistent with,

1 and reasonably required to perform, the func-  
2 tions of the Commission under this section.

3 (7) SUPPORT.—The Secretary shall provide  
4 such office space, furnishings, and equipment as  
5 may be required to enable the Commission to carry  
6 out this section. The Secretary shall also furnish the  
7 Commission with such staff, including clerical sup-  
8 port, as the Commission may require.

9 (8) OTHER FEDERAL AGENCIES.—

10 (A) IN GENERAL.—Upon request of the  
11 Commission, the Secretary may request the  
12 head of any Federal department or agency—

13 (i) to assist the Commission in carry-  
14 ing out this section; and

15 (ii) to provide such information as the  
16 Commission requires.

17 (B) DETAIL OF GOVERNMENT EMPLOY-  
18 EES.—Any Federal Government employee may  
19 be detailed to the Commission. The detail shall  
20 be without interruption or loss of privilege, se-  
21 niority, pay, or other employee status. The  
22 Commission shall reimburse the cooperating  
23 Federal agency for the detail of an employee.

24 (9) FINANCIAL AND ADMINISTRATIVE SERV-  
25 ICES.—The Secretary of the Interior shall provide fi-

1 nancial and administrative services (including those  
2 related to budgeting, accounting, financial reporting,  
3 personnel, and procurement) to the Commission.

4 (10) APPROPRIATIONS.—There are authorized  
5 to appropriated such sums as are necessary to carry  
6 out this section.

7 **SEC. 6. LIMITATIONS ON PATENTS.**

8 (a) IN GENERAL.—After the date of enactment this  
9 Act, a patent issued by the United States for any claim  
10 shall be subject to the requirements of subsection (b) un-  
11 less the Secretary determines that—

12 (1) a mineral survey application was filed with  
13 the Secretary or a patent application was filed with  
14 the Secretary on or before the date of enactment of  
15 this Act; and

16 (2) the claimant has made a discovery of valu-  
17 able minerals and has met or can meet all require-  
18 ments applicable to vein, lode, or placer claims and  
19 all requirements applicable to mill site claims, as ap-  
20 propriate.

21 (b) LIMITATIONS ON PATENTED ESTATE.—A patent  
22 issued by the United States after the date of enactment  
23 of this Act shall be issued only—

24 (1) upon payment by the claimant of the fair  
25 market value for the interest in the land owned by

1 the United States exclusive of and without regard to  
2 the mineral deposits in the land;

3 (2) upon reservation by the United States of a  
4 royalty as provided in section 5; and

5 (c) REQUIREMENT FOR PATENTS.—

6 (1) IN GENERAL.—Land patented after the  
7 date of enactment of this Act pursuant to section  
8 2325, 2333, or 2337 of the Revised Statutes (30  
9 U.S.C. 29, 37, or 42) shall be used only for mineral  
10 exploration, mineral development, mining, process-  
11 ing, beneficiation, or uses reasonably incident to  
12 those uses, except with the approval of the Sec-  
13 retary.

14 (2) REVERSION.—Land patented after the date  
15 of enactment of this Act shall revert to the United  
16 States if—

17 (A) the land is used for a purpose that is  
18 not authorized under paragraph (1);

19 (B) the unauthorized use is not discounted  
20 within a time period specified by the Secretary  
21 (but not earlier than 90 days after the Sec-  
22 retary provides the owner of the land with writ-  
23 ten notice pursuant to paragraph (3)) to dis-  
24 continue the unapproved use); and

1 (C) the Secretary elects to enforce the re-  
2 versionary interest in accordance with para-  
3 graph (3).

4 (3) ENFORCEMENT.—The reversion under  
5 paragraph (2) shall take effect if—

6 (A) the Secretary files a declaration of re-  
7 version in the office of the Bureau of Land  
8 Management designated by the Secretary of the  
9 Interior;

10 (B) the Secretary records the declaration  
11 in the office of the county recorder of the coun-  
12 ty in which the land subject to a reversion are  
13 situated; and

14 (C) not later than 30 days after recording  
15 the declaration of reversion, the Secretary  
16 serves on the owner of the land subject to rever-  
17 sion a recorded copy of the declaration, in the  
18 same manner that a summons and complaint  
19 are served under the Federal Rules of Civil  
20 Procedure, and delivers payment for fair mar-  
21 ket value of the surface interest at the time of  
22 the reverter.

23 (4) RENOUNCING OF REVERSIONARY INTER-  
24 EST.—The Secretary may renounce a reversion by  
25 filing and recording a declaration of renouncement

1 in the same offices in which a declaration of reverter  
2 would have been filed under paragraph (d). The Sec-  
3 retary may renounce a reversion for any reason, in-  
4 cluding a case in which—

5 (A) a portion of the lands included in the  
6 patent have been used for solid waste disposal  
7 or for any other purpose that may result in the  
8 disposal, placement, or release of a hazardous  
9 substance;

10 (B) continuance of the reverter serves no  
11 public purpose; or

12 (C) it would not be in the best interest of  
13 the United States to exercise the reverter.

14 (d) REQUIREMENTS FOR PATENTS.—Each patent to  
15 land acquired under section 2325, 2333, or 2337 of the  
16 Revised Statutes (30 U.S.C. 29, 37, or 42) that is subject  
17 to the limitations of this section shall so state.

18 **SEC. 7. PLANS OF OPERATION AND RECLAMATION RE-**  
19 **QUIREMENTS.**

20 (a) IN GENERAL.—Except as otherwise provided in  
21 this subsection, no person may engage in mineral activities  
22 on Federal land that cause more than a minimal disturb-  
23 ance of surface resources (as defined in subsection (b))  
24 unless the person has filed a plan of operations with, and  
25 received approval of the plan from, the Secretary.

1 (b) MINIMAL DISTURBANCE OF SURFACE RE-  
2 SOURCES.—As used in this section, “minimal disturbance  
3 of surface resources” means minor, short-term alteration  
4 of surface resources. The Secretary may establish cat-  
5 egories of activities that do not constitute minimal disturb-  
6 ance of surface resources.

7 (c) ENVIRONMENTAL, LAND USE, AND RECLAMA-  
8 TION REQUIREMENTS.—All operations conducted under a  
9 plan of operations referred to in subsection (a) shall be  
10 conducted in accordance with all applicable Federal and  
11 State environmental laws, including—

12 (1) the Atomic Energy Act of 1954 (42 U.S.C.  
13 2011 et seq.);

14 (2) the Clean Air Act (42 U.S.C. 7401 et seq.);

15 (3) the Comprehensive Environmental Re-  
16 sponse, Compensation, and Liability Act of 1980 (42  
17 U.S.C. 9601 et seq.);

18 (4) the Endangered Species Act of 1973 (16  
19 U.S.C. 1531 et seq.);

20 (5) the Federal Land Policy and Management  
21 Act of 1976 (43 U.S.C. 1701 et seq.);

22 (6) the Federal Mine Safety and Health Act of  
23 1977 (30 U.S.C. 801 et seq.);

1           (7) the Federal Water Pollution Control Act  
2           (commonly referred to as the “Clean Water Act”)  
3           (33 U.S.C. 1251 et seq.);

4           (8) the Forest and Rangeland Renewable Re-  
5           sources Planning Act of 1974 (16 U.S.C. 1600 et  
6           seq.);

7           (9) the Migratory Bird Treaty Act (16 U.S.C.  
8           703 et seq.);

9           (10) the National Environmental Policy Act of  
10          1969 (42 U.S.C. 4321 et seq.);

11          (11) the National Historic Preservation Act (16  
12          U.S.C. 470 et seq.);

13          (12) title XIV of the Public Health Service Act  
14          (commonly referred to as the “Safe Drinking Water  
15          Act”) (42 U.S.C. 300f et seq.);

16          (13) the Solid Waste Disposal Act (42 U.S.C.  
17          6901 et seq.);

18          (14) the Toxic Substances Control Act (15  
19          U.S.C. 2601 et seq.); and

20          (15) the Uranium Mill Tailings Radiation Con-  
21          trol Act of 1978 (42 U.S.C. 7901 et seq.).

22          (c) INSPECTION AND ENFORCEMENT.—

23                 (1) INSPECTIONS.—The Secretary shall inspect  
24                 an operation conducted under a plan of operations  
25                 once each calendar quarter to ensure compliance

1 with the terms of an approved plan of operations.  
2 The Secretary may, at the discretion of the Sec-  
3 retary, conduct inspections more frequently than  
4 once each calendar quarter.

5 (2) ENFORCEMENT.—

6 (A) IN GENERAL.—Subject to subpara-  
7 graphs (B) and (C), a claimant who fails to ob-  
8 tain a plan of operations required by this sec-  
9 tion, engages in unauthorized occupancy under  
10 section 9, or who fails to comply with the terms  
11 of an approved plan of operations, shall be sub-  
12 ject to a fine of not more than \$2,000 per day  
13 per violation.

14 (B) CORRECTIVE ACTION.—A claimant  
15 shall not be assessed a fine under subparagraph  
16 (A) if the violation is corrected, or a means to  
17 correct the violation is in place, within 30 days  
18 after the date on which the claimant is notified  
19 in writing of a violation.

20 (C) HEARING.—No fine shall be assessed  
21 under this paragraph unless the claimant has  
22 been given an opportunity for a hearing on the  
23 record before the Secretary.

24 (d) RECLAMATION OF LAND PATENTED AFTER  
25 ENACTMENT.—

1           (1) APPLICABLE LAW.—Land patented after  
2 the date of enactment of this Act shall be subject to  
3 the mining reclamation laws of the State in which  
4 the land is located.

5           (2) ABSENCE OF APPLICABLE STATE LAW.—In  
6 the absence of applicable State mining reclamation  
7 laws, land patented after the date of enactment of  
8 this Act shall be subject to the Federal mining rec-  
9 lamation laws that would have applied had the land  
10 remained in Federal ownership.

11           (3) RECITATION.—Each patent issued after the  
12 date of enactment of this Act shall recite that as a  
13 condition of the patent, the land patented shall be  
14 subject to the requirements of this subsection.

15           (4) RECLAMATION.—Public lands disturbed by  
16 operations approved by the Secretary shall be re-  
17 claimed as required by applicable Federal and State  
18 laws concerning mined land reclamation.

19 **SEC. 8. FINANCIAL ASSURANCES.**

20           (a) FINANCIAL ASSURANCES REQUIRED.—Prior to  
21 the commencement of any operations on a claim that re-  
22 quires a plan of operation, a claimant shall—

23           (1) furnish evidence of a bond, surety, or other  
24 financial guarantee in an amount determined by the  
25 Secretary that is not less than the estimated cost to

1 complete reclamation of the land disturbed by oper-  
2 ations as required by this Act and other applicable  
3 mining laws; or

4 (2) provide evidence satisfactory to the Sec-  
5 retary that the area to be affected is covered by a  
6 bonding pool that will provide for reclamation of the  
7 land disturbed by operations as required by this Act  
8 and other applicable mining laws.

9 (b) REVIEW.—Not later than 5 years after an assur-  
10 ance is provided under subsection (a), and at least each  
11 5 years thereafter, the Secretary shall, after consultation  
12 with representatives of the affected States, review the fi-  
13 nancial assurances.

14 (c) PHASED GUARANTEES.—The Secretary may ad-  
15 just the amount of the financial guarantee provided under  
16 subsection (a) upon a determination by the Secretary that  
17 a portion of reclamation is completed as required by this  
18 Act and other applicable mining laws.

19 (d) RELEASE.—Prior to any reduction in, or final re-  
20 lease of, a bond or other financial guarantee, the Secretary  
21 shall provide for public notice and comment.

22 **SEC. 9. OCCUPANCY AND RESIDENCY OF CLAIMS.**

23 (a) PROHIBITION.—Subject to the other provisions of  
24 this section and valid existing rights, full- or part-time res-  
25 idential occupancy of a mining claim, including the con-

1 construction, presence, or maintenance of a temporary or per-  
2 manent structure that may be used for residential occu-  
3 pancy purposes, shall be prohibited.

4 (b) TRANSITORY OCCUPANCY.—Residential occu-  
5 pancy of a claim for purposes reasonably incident to  
6 prospecting, mining, or processing that does not involve  
7 surface disturbance extending beyond the period of occu-  
8 pancy shall be permitted for a duration of no more than  
9 14 days upon notice to the Secretary.

10 (c) TEMPORARY OCCUPANCY.—The Secretary may  
11 approve residential occupancy of a claim for a period in  
12 excess of 14 days as part of a plan of operations required  
13 under applicable law, if the Secretary determines that the  
14 occupancy is reasonably required to accomplish such plan.  
15 Occupancy under this subsection shall of no greater dura-  
16 tion or extent than is necessary to accomplish the  
17 prospecting, mining, or processing incident to the plan.

18 **SEC. 10. MINERAL MATERIALS.**

19 (a) DETERMINATIONS.—Section 3 of the Surface Re-  
20 sources Act of 1955 (30 U.S.C. 611) is amended—

21 (1) by striking “SEC. 3. No deposit” and insert-  
22 ing the following:

23 **“SEC. 3. MINERAL MATERIALS.**

24 **“(a) VARIETIES OF MINERALS NOT DEEMED VALU-**  
25 **ABLE MINERAL DEPOSITS.—No deposit”;**

1           (2) in the first sentence, by striking “or cin-  
2           ders” and inserting “cinders, or clay”; and

3           (3) by adding at the end the following new  
4           subsection:

5           “(b) DISPOSAL.—

6           “(1) IN GENERAL.—Subject to valid existing  
7           rights (as defined in paragraph (2)), after the date  
8           of enactment of this section, deposits of minerals re-  
9           ferred to in subsection (a) (except deposits of ben-  
10          tonite and gypsum) shall be subject to disposal  
11          under the terms and conditions of the Materials Act  
12          of 1947 (30 U.S.C. 601 et seq.)

13          “(2) VALID EXISTING RIGHTS DEFINED.—As  
14          used in paragraph (1), the term ‘valid existing  
15          rights’ means a mining claim located for a mineral  
16          material that—

17                 “(A) has some property that gives the  
18                 claim distinct and special value as described in  
19                 subsection (a), including so-called ‘block pum-  
20                 ice’ as described in subsection (a);

21                 “(B) was properly located and maintained  
22                 under the general mining laws on the date of  
23                 enactment of this subsection;

24                 “(C) was supported by a discovery of a val-  
25                 uable mineral deposit within the meaning of the

1           general mining law on the date of enactment of  
2           this subsection; and

3           “(D) continues to be valid.”.

4           (b) MINERAL MATERIALS SUBJECT TO RIGHT OF  
5 THE UNITED STATES FOR DISPOSAL AND SEVERANCE.—  
6 Subsections (b) and (c) of section 4 of the Surface Re-  
7 sources Act of 1955 (30 U.S.C. 612) is amended by insert-  
8 ing “and mineral material” after “vegetative” both places  
9 it appears .

10          (c) CONFORMING AMENDMENT.—The first sentence  
11 of section 1 of the Materials Act of 1947 (30 U.S.C. 601)  
12 is amended by striking “common varieties of”.

13 **SEC. 11. RECEIPTS.**

14          Two-thirds of the receipts from location and mainte-  
15 nance fees required by section 4, royalties required by sec-  
16 tion 5, and payments required by section 6 shall be paid  
17 into the Treasury of the United States and deposited as  
18 miscellaneous receipts. One-third of the receipts from any  
19 claim, patent, or millsite shall be paid by the Secretary  
20 of the Treasury to the treasury of the State in which such  
21 claim, patent, or millsite is located.

22 **SEC. 12. ABANDONED HARDROCK MINE RECLAMATION**  
23 **PROGRAM.**

24          (a) ESTABLISHMENT.—There is established a pro-  
25 gram to be known as the Abandoned Hardrock Mine Rec-

1 lamation Program (referred to in this section as the “Pro-  
2 gram”). The Program shall be administered by the Sec-  
3 retary of the Interior acting through the Director of the  
4 Bureau of Land Management.

5 (b) DESCRIPTION OF PROGRAM.—

6 (1) IN GENERAL.—The Secretary is authorized  
7 to make grants to eligible States (as defined in sub-  
8 section (e)) for the reclamation and restoration of  
9 land and water resources adversely affected by past  
10 hardrock mining (other than coal and fluid known  
11 minerals). The grants may be used for—

12 (A) the reclamation and restoration of  
13 abandoned surface mined areas;

14 (B) the reclamation and restoration of  
15 abandoned milling and processing areas;

16 (C) the sealing, filling, and grading of  
17 abandoned deep mine entries;

18 (D) the planting of land adversely affected  
19 by past mining to prevent erosion and sedi-  
20 mentation;

21 (E) the prevention, abatement, treatment,  
22 and control of water pollution created by aban-  
23 doned mine drainage;

24 (F) the control of surface subsidence due  
25 to abandoned deep mines; and

1 (G) such other projects as may be nec-  
2 essary to accomplish this Act.

3 (2) PRIORITIES.—Expenditure of grant funds  
4 by the Secretary shall reflect the following priorities  
5 in the order stated:

6 (A) The protection of public health, safety,  
7 and general welfare from the adverse effects of  
8 past hardrock mining practices.

9 (B) The restoration of land and water re-  
10 sources previously degraded by the adverse ef-  
11 fects of past minerals and mineral materials  
12 mining practices.

13 (c) ELIGIBLE AREAS.—

14 (1) ELIGIBILITY IN GENERAL.—Subject to  
15 paragraph (2), land and water eligible for reclama-  
16 tion expenditures under this section shall be those—

17 (A) that were mined or processed for min-  
18 erals and mineral materials or abandoned or  
19 left in an inadequate reclamation status prior to  
20 the date of enactment of this section;

21 (B) for which the Secretary (or State)  
22 makes a determination that there is no continu-  
23 ing reclamation responsibility under Federal or  
24 State laws; and

1 (C) for which it can be established that the  
2 land does not contain minerals that could eco-  
3 nomically be extracted through the reprocessing  
4 or remining, unless the consideration is in con-  
5 flict with the priorities set forth under subpara-  
6 graphs (A) and (B) of subsection (b)(2).

7 (2) SPECIFIC SITES AND AREAS NOT ELIGI-  
8 BLE.—Areas designated for remedial action pursu-  
9 ant to the Uranium Mill Tailing Radiation Control  
10 Act of 1978 (42 U.S.C. 7901 et seq.) or that have  
11 been listed for remedial action pursuant to the Com-  
12 prehensive Environmental Response, Compensation,  
13 and Liability Act of 1980 (42 U.S.C. 9601 et seq.)  
14 shall not be eligible for expenditure under this  
15 section.

16 (d) ALLOCATION AND EXPENDITURES.—

17 (1) ALLOCATIONS.—

18 (A) IN GENERAL.—Funds available for ex-  
19 penditure by the Secretary shall be allocated on  
20 an annual basis in the form of grants to eligible  
21 States, or in the form of expenditures under  
22 subsection (d)(2), to carry out this Act.

23 (B) DISTRIBUTION.—The Secretary shall  
24 distribute the funds equitably to eligible States,

1 giving due consideration to the priorities stated  
2 in subsection (b)(2).

3 (2) DIRECT FEDERAL EXPENDITURES.—The  
4 Secretary shall make grants to States not eligible  
5 under subsection (e) based on the greatest need for  
6 the funds pursuant to the priorities stated in sub-  
7 section (b)(2).

8 (e) STATE RECLAMATION PROGRAMS.—

9 (1) ELIGIBLE STATES.—For the purpose of  
10 subsection (d), the term “eligible States” are States  
11 that the Secretary determines meets each of the fol-  
12 lowing requirements:

13 (A) Within the State there are mined  
14 lands, waters, and facilities eligible for reclama-  
15 tion under subsection (c).

16 (B) The State has developed an inventory  
17 of affected areas following the priorities estab-  
18 lished under subsection (b)(2).

19 (C) The State has established, and the  
20 Secretary has approved, a State abandoned  
21 minerals and mineral materials mine reclama-  
22 tion program for the purpose of receiving and  
23 administering grants under this section.

1           (2) MONITORING.—The Secretary shall monitor  
2 the expenditure of State grants to ensure that the  
3 grants are being utilized to carry out this Act.

4           (3) STATE PROGRAMS.—The Secretary shall ap-  
5 prove any State abandoned minerals mine reclama-  
6 tion program submitted to the Secretary by a State  
7 under this section if the Secretary finds that the  
8 State has the means and necessary State legislation  
9 to implement the program and that the program  
10 complies with this section.

11 (f) AUTHORIZATION OF APPROPRIATIONS.—

12           (1) IN GENERAL.—Subject to paragraph (2),  
13 there are authorized to be appropriated such sums  
14 as are necessary to carry out this section.

15           (2) LIMITATION.—The amount annually au-  
16 thorized to be appropriated under this subsection  
17 shall not exceed the sums paid into the Treasury of  
18 the United States, and deposited as miscellaneous  
19 receipts, pursuant to section 11 for the fiscal year  
20 preceding the authorization.

○

HR 1708 IH—2